



**REGULAR BOARD MEETING AGENDA
TRABUCO CANYON WATER DISTRICT
32003 DOVE CANYON DRIVE, TRABUCO CANYON, CALIFORNIA
ADMINISTRATIVE FACILITY
JANUARY 18, 2024 AT 5:30 PM**

BOARD OF DIRECTORS

Stephen Dopudja, President
Edward Mandich, Vice President
Glenn Acosta, Director
Don Chadd, Director
Michael Safranski, Director

DISTRICT STAFF

Fernando Paludi, General Manager
Michael Perea, District Secretary
Cindy Byerrum, District Treasurer
Hanson Bridgett LLP, District General Legal Counsel

AGENDA NOTE:

Trabuco Canyon Water District (District) will make this Regular Board Meeting available by telephone audio as follows:

Telephone Audio: 1 (669) 900-6833 (Toll Free) **Access Code:** 913-8681-1652

Persons desiring to monitor the Board meeting agenda items may download the Board meeting agenda and documents on the internet at www.tcwd.ca.gov. You may submit public comments by email to the Board at mperea@tcwd.ca.gov. In order to be part of the record, emailed comments on meeting agenda items must be received by the District, at the referenced e-mail address, not later than 5:00 p.m. (PDT) on the day of the meeting.

CALL MEETING TO ORDER & PLEDGE OF ALLEGIANCE

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

Determine need and take action on item(s) that arose subsequent to posting the Regular Board Meeting agenda.

VISITOR PARTICIPATION

Members of the public wishing to address the Board regarding a particular item on the agenda are requested to submit public comments by email to the Board at mperea@tcwd.ca.gov. Public comments may also be submitted by teleconference during the meeting. The Board President will call on the visitor following the Board's discussion about the matter. Members of the public will be given the opportunity to speak prior to the Board taking action on that item. For persons desiring to make verbal comments and utilizing a translator to present their comments into English reasonable time accommodations, consistent with State law, shall be provided. Please limit comments to three minutes.

ORAL COMMUNICATION

Members of the public who wish to make comment on matters not appearing on the agenda are requested to submit oral communication by email to the Board at mperea@tcwd.ca.gov. Public comments may also be submitted by teleconference during the meeting. Under the requirements of State Law, Directors cannot act on items not identified on the agenda and will not make decisions on such matters. The Board President may direct District Staff to follow up on issues as may be deemed appropriate. For persons desiring to make verbal comments and utilizing a translator to present their comments into English reasonable time accommodations, consistent with State law, shall be provided. Please limit comments to three minutes.

DIRECTORS' COMMENTS AND MEETING REPORTS

REPORT FROM THE GENERAL MANAGER

CONSENT CALENDAR

All matters under the Consent Calendar will be approved by one motion unless a Board member or staff member requests a separate action on a specific item.

ITEM 1: APPROVAL OF MINUTES OF BOARD MEETING(S)

RECOMMENDED ACTION

Approve the minutes of the following Board Meetings:

1. December 21, 2023 Regular Board Meeting

ITEM 2: TREASURER'S REPORT

a. FINANCE/AUDIT COMMITTEE MEETING

RECOMMENDED ACTION:

Receive and file the following Finance/Audit Committee Meeting Recap(s):

1. December 14, 2023

b. PRESENTATION OF FINANCIALS

RECOMMENDED ACTION:

Receive and file the preliminary statement(s) of revenues and expenses and preliminary unaudited financials for the following month(s):

1. November 2023

c. PAYMENT OF BILLS FOR CONSIDERATION

RECOMMENDED ACTION:

Ratify the payment of bills for consideration, Payroll and Payroll Taxes for December 2023.

ACTION CALENDAR

All matters under the Action Calendar have been reviewed by the General Manager and Staff prior to the Board's consideration.

ADMINISTRATIVE MATTERS

ITEM 3: RATIFICATION OF DIRECTORS' FEES AND EXPENSES, AND TENTATIVE FUTURE MEETINGS/ ATTENDANCE

RECOMMENDED ACTION:

Approve the tentative future meetings/attendance items and ratify the Directors' expenses and fees from the following period(s):

1. December 2023

ITEM 4: DISTRICT ENERGY EFFICIENCY AD HOC COMMITTEE UPDATE

RECOMMENDED ACTION:

Receive information and presentation at the time of the meeting.



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ITEM 5: DISCUSSION AND POSSIBLE ACTION(S) RELATED TO CALENDAR YEAR 2024 BOARD MEMBER COMMITTEE APPOINTMENTS AND AGENCY REPRESENTATIVE ASSIGNMENTS

RECOMMENDED ACTION:

Board President to appoint Board Members and District staff to District committee(s) and make other agency representative assignments pursuant to District Policy and District Rules and Regulations Section 2.4.1.

ITEM 6: RECAP OF DISTRICT PROPERTIES COMMITTEE DISCUSSION

RECOMMENDED ACTION:

Receive information at the time of the meeting. No action required.

FINANCIAL MATTERS

ITEM 7: PRESENTATION OF TRABUCO CANYON WATER DISTRICT'S FISCAL YEAR 2022-23 ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

RECOMMENDED ACTION:

Receive presentation of the Trabuco Canyon Water District Fiscal Year 2022-23 Annual Comprehensive Financial Report (ACFR) and file said report.

LEGISLATIVE AND OTHER MATTERS

ITEM 8: 2023 YEAR-END LEGISLATIVE REPORT

RECOMMENDED ACTION(S):

Receive information at the time of the meeting and take action(s) as deemed appropriate.

ITEM 9: LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL MATTER(S)

RECOMMENDED ACTION(S):

Receive information at the time of the meeting and take action(s) as deemed appropriate.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

ITEM 10: _____

ITEM 11: _____

GENERAL COUNSEL REPORT

OTHER INFORMATION/MATTERS

Reports or comments from the General Manager and/or Staff

ADDITIONAL DIRECTORS' COMMENTS

Additional reports or comments from Directors

END ACTION CALENDAR & ADJOURNMENT



**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING AGENDA | JANUARY 18, 2024**

AVAILABILITY OF AGENDA MATERIALS

Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the Trabuco Canyon Water District Board of Directors in connection with a matter subject to discussion or consideration at an open meeting of the Board of Directors are available for public inspection at the Trabuco Canyon Water District Administrative Facility, 32003 Dove Canyon Drive, Trabuco Canyon, California (District Administrative Facility) and will be posted online on the District's website located at www.tcwd.ca.gov. If such writings are distributed to members of the Board less than 72 hours prior to the meeting, they will be available online at www.tcwd.ca.gov at the same time as they are distributed to the Board Members, except that, if such writings are distributed immediately prior to or during the meeting, they will be posted online on the District's website located at www.tcwd.ca.gov.

COMPLIANCE WITH THE REQUIREMENTS OF CALIFORNIA GOVERNMENT CODE SECTION 54954.2

In compliance with California law and the Americans with Disabilities Act, if you need special disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, or if you need the agenda provided in an alternative format, please contact the District Secretary at (949) 858-0277, at least 48 hours in advance of the scheduled Board meeting. Notification at least 48 hours prior to the meeting will assist the District in making reasonable arrangements to accommodate your request. The Board Meeting Room is wheelchair accessible.

FUTURE SCHEDULED REGULAR BOARD MEETINGS OF THE BOARD OF DIRECTORS

Upcoming Regular Meetings of the Board are expected to be held at the District Administrative Facility (Board Meeting Room) located at 32003 Dove Canyon Drive, Trabuco Canyon, California 92679 and are currently scheduled as follows:

February 15, 2024 | March 21, 2024 | April 18, 2024



**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | JANUARY 18, 2024**

CONSENT CALENDAR

ITEM 1: APPROVAL OF MINUTES OF BOARD MEETING(S)

RECOMMENDED ACTION

Approve the minutes of the following Board Meetings:

- 1. December 21, 2023 Regular Board Meeting*

CONTACTS (staff responsible): PALUDI/PEREA



MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | DECEMBER 21, 2023

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on December 21, 2023, was called to order by President Stephen Dopudja at 5:30 p.m. in the Board Room at the District Administrative Facility located at 32003 Dove Canyon Drive, Trabuco Canyon, California. Mr. Michael Perea, District Secretary, transcribed the minutes thereof.

DIRECTORS PRESENT

President Stephen Dopudja
Vice President Ed Mandich
Director Glenn Acosta
Director Don Chadd
Director Michael Safranski

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager
Lorrie Lausten, District Engineer
Karen Warner, Principal Accountant
Roseann Lejsek, Administration Assistant
Phil Serpas, CMMS/SCADA Administrator

DISTRICT CONSULTANTS

Claire Collins, Hanson & Bridgett, LLP – General Counsel

PUBLIC PRESENT

There were members of the public present.

PLEDGE OF ALLEGIANCE

Director Chadd led the Board of Directors, District staff, and audience in the Pledge of Allegiance.

ITEMS TOO LATE TO BE AGENDIZED

None

VISITOR PARTICIPATION

None

ORAL COMMUNICATION

None

DIRECTOR'S COMMENTS

Director Safranski reported on his attendance at the South Orange County Agencies Group meeting and the City of Rancho Santa Margarita (RSM) City Council meeting. Director Safranski wished all in attendance a Happy Christmas. Director Safranski commented on the current recall effort to remove members of the Board. He read a statement and provided a copy of his comments to the District Secretary, requesting that his comments be placed in the public record.

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REGULAR BOARD OF DIRECTORS MEETING MINUTES | DECEMBER 21, 2023**

Director Acosta welcomed all in attendance, including staff, and he expressed his appreciation for the staff's hard work throughout the year. Director Acosta reported on his attendance at the Municipal Water District of Orange County (MWDOC) Regular Board Meeting, and he reported that Director McVicker has been elected President and Director Thomas is Vice President. Director Acosta briefly reviewed the proposed Metropolitan Water District of Southern California (MET) PURE Project potential financial impacts to participating agencies.

Director Mandich reported that the City of RSM City Council second monthly meeting was cancelled due to the holiday. Director Mandich wished all in attendance a Merry Christmas and Happy New Year.

Director Chadd reported on his attendance at the Santiago Aqueduct Commission meeting, and he reported on a presentation delivered by Charles Busslinger (MWDOC) on the planned State Water Project allocations for 2024.

Director Dopudja wished all in attendance happy holidays. Director Dopudja commented on the recall effort, and he recommended that the Board and District staff not be distracted by the effort. Director Dopudja reported on the State's new regulations on direct potable reuse, and he mentioned that TCWD has been recycling water for decades and commended District staff's efforts in providing a reliable source of water.

REPORT FROM THE GENERAL MANAGER

Mr. Paludi reported on the following matters:

- Mr. Paludi expressed his appreciation to the Board and District staff for their hard work throughout the year and wished all in attendance a happy holiday.
- New General Managers – Mr. Paludi announced that MWDOC has appointed Interim GM Harvey De La Torre as their new General Manager, and Orange County Water District (OCWD) has appointed John Kennedy as their new General Manager.
- Mr. Paludi reviewed the District's holiday office closure schedule.
- Direct Potable Reuse (DPR) Regulations – Mr. Paludi briefly reviewed the newly adopted DPR regulations.
- District Meter Downsizing Policy – Mr. Paludi recommended that the Notice of Indemnification Agreement be a recommendation instead of a requirement for applicants, and that he would proceed updating the process as such unless the Board objects. Mr. Paludi reported that the District has received two applications to date.

CONSENT CALENDAR

President Dopudja indicated that all matters under the Consent Calendar would be approved by one motion unless a Board member or staff member requests a separate action on a specific item. Director Dopudja requested to remove item no. 1 from the consent calendar.

MOTION: Remove item no. 1 from the consent calendar and approve the balance of the consent calendar as presented – Director Acosta

SECOND: Director Mandich

AYES: Directors Dopudja, Mandich, Acosta, Chadd & Safranski

NOES: None

ABSTAIN: None

ABSENT: None

MOTION PASSED/FAILED: Passed 5 -0

TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | DECEMBER 21, 2023

ACTION CALENDAR

ADMINISTRATIVE MATTERS

ITEM 1: APPROVAL OF MINUTES

Director Dopudja requested that the minutes for the November 16, 2023 Regular Board Meeting on item no . 7 be updated to include the following language related to the motion: “The Board of Directors delegated authority to the General Manager to work with general counsel to address customer concerns on the legality of the Notice of Indemnity Agreement and the placement on property title.” Mr. Perea commented that the minutes would be updated as such.

MOTION: Approve the tentative future meetings/attendance items and ratify the Directors’ expenses and fees from November 2023– Director Mandich

SECOND: Director Acosta

AYES: Directors Dopudja, Mandich, Acosta, Chadd & Safranski

NOES: None

ABSTAIN: None

ABSENT: None

MOTION PASSED/FAILED: Passed 5 -0.

ITEM 5: RATIFICATION OF DIRECTORS’ FEES AND EXPENSES, AND TENTATIVE FUTURE MEETINGS/ATTENDANCE

Mr. Paludi presented this matter for Director consideration and comment, and he reported that this matter was reviewed with the Finance/Audit Committee. Director Mandich reported that he attended the South Orange County Integrated Regional Watershed Management Area (IRWM) Executive Committee meeting on November 9th, and that although it did not affect his compensation for the month of November, he did want his meeting report to be amended as such. Director Acosta commented that the Directors attend many meetings each month to stay informed of current water/wastewater issues which can impact their personal and professional time.

MOTION: Approve the tentative future meetings/attendance items and ratify the Directors’ expenses and fees from November 2023 as amended– Director Mandich

SECOND: Director Acosta

AYES: Directors Dopudja, Mandich, Acosta, Chadd & Safranski

NOES: None

ABSTAIN: None

ABSENT: None

MOTION PASSED/FAILED: Passed 5 -0.

ITEM 6: DISTRICT ENERGY EFFICIENCY AD HOC COMMITTEE UPDATE

Mr. Paludi presented this matter for Board consideration, and he reported that District staff has met with the ad hoc committee to evaluate opportunities for energy efficiency and cost controls. Director Safranski delivered a brief PowerPoint presentation that highlighted the efforts of the ad hoc committee to date, including the development of a program name and logo highlighting staff submissions and the current facility energy demands. Mr. Paludi highlighted the recent sequencing batch reactor (SBR) aeration system improvements performed by operations and maintenance staff as an example of installing energy efficient equipment to reduce energy demands as well as controlling capital expenses by completing the work in-house. The Board of Directors commended District staff for their efforts.

MOTION: None

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | DECEMBER 21, 2023**

ITEM 7: ELECTION OF BOARD OFFICERS

Pursuant to the District's rules and regulations, Mr. Paludi took control of the gavel during the nominations and voting for President of the Board of Directors. Mr. Paludi requested nominations for the position of President of the Trabuco Canyon Water District Board of Directors.

MOTION: Elect Director Stephen Dopudja as President of the Board of Directors of Trabuco Canyon Water District– Director Mandich

SECOND: Director Acosta

AYES: Directors Dopudja, Mandich, Acosta, Chadd, & Safranski

NOES: None

ABSTAIN: None

MOTION PASSED/FAILED: Passed 5 – 0

Mr. Paludi requested nominations for the position of Vice President of the Trabuco Canyon Water District Board of Directors

MOTION: Elect Director Edward Mandich as Vice President of the Board of Directors of Trabuco Canyon Water District– Director Dopudja

SECOND: Director Chadd

AYES: Directors Dopudja, Mandich, Acosta, Chadd, & Safranski

NOES: None

ABSTAIN: None

MOTION PASSED/FAILED: Passed 5 – 0

Director Dopudja expressed his appreciation to the Board for their continued support after a difficult year.

ITEM 8: DISCUSSION AND POSSIBLE ACTION(S) RELATED TO CALENDAR YEAR 2024 BOARD MEMBER COMMITTEE APPOINTMENTS AND AGENCY REPRESENTATIVE ASSIGNMENTS

Mr. Paludi presented this matter for Board consideration, and he reported that this matter is reviewed annually. Director Dopudja recommended tabling this matter for consideration at the January 2024 regular meeting.

MOTION: The Board of Directors recommended agendizing this matter for consideration at the following regular board meeting.

ITEM 9: DISCUSSION OF DISTRICT HUMAN RESOURCES AND BENEFITS ADMINISTRATION SUPPORT

Mr. Paludi presented this matter for Board consideration, and he reported that this matter was reviewed with the Executive Committee at Director Mandich's request. Mr. Paludi added that the purpose of this matter is to provide a level of independence on these types of matters and to reduce certain responsibilities for the Assistant General Manager. Mr. Paludi added that District staff are preparing a scope of work (SOW) for the development of a request for proposals (RFP) for Executive Committee review. Director Dopudja commented that this proposal is not a reflection of Mr. Perea's performance, but rather an opportunity to provide a dedicated, independent source for all staff on human resources and benefits related matters. Director Safranski commented that this matter needs to be reviewed by the Board prior to approval.

MOTION: None

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | DECEMBER 21, 2023**

ITEM 10: APPROVAL OF URBAN WATER INSTITUTE (UWI) SPRING CONFERENCE SPONSORSHIP

Mr. Paludi presented this matter for Board consideration, and he reported that this matter was reviewed with the Finance/Audit Committee. Mr. Paludi commented that the District has sponsored this event in the past, and he reported that UWI has restructured its sponsorship opportunities from a per event sponsorship to an annual sponsorship. Mr. Paludi recommended that the Board approve an annual sponsorship level consistent with previous levels of sponsorship.

MOTION: Approve an annual sponsorship of the Urban Water Institute for 2024 in the amount of \$3,000 – Director Acosta

SECOND: Director Safranski

AYES: Directors Dopudja, Mandich, Acosta, Chadd & Safranski

NOES: None

ABSTAIN: None

ABSENT: None

MOTION PASSED/FAILED: Passed 5 -0.

ENGINEERING MATTERS

ITEM 11: CAPITAL IMPROVEMENT PROGRAM (CIP) MID-YEAR UPDATE

Mr. Paludi presented this matter for Board consideration, and he reported this matter was reviewed with the Engineering/Operational Committee. Mr. Paludi commented that capital improvement is a significant driver of the District's rates and charges. Ms. Lausten reviewed the approved Fiscal Year 2023-24 CIP and provided project status updates for the Board. Discussion occurred concerning certain project status updates and project budgets. Director Mandich recommended including total project costs for multi-year projects in the report for transparency purposes. Director Dopudja recommended that the District provide project highlights in the On Tap newsletter to update customers on how rates and charges are used for facility improvements. Director Acosta expressed that the District has had public outreach challenges during the year, and that he did want the District to repeat previous outreach mistakes.

MOTION: None

ITEM 12: APPROVAL OF CONTRACT AWARD TO PACIFIC HYDROTECH FOR GOLF CLUB SEWER LIFT STATION IMPROVEMENTS

Mr. Paludi presented this matter for Board consideration, and he reported that this matter was reviewed with the Engineering/Operational Committee. Ms. Lausten provided an overview of the planned improvements to this facility, and she reported that District staff publicly bid this project to six pre-qualified contractors and received three bids. Ms. Lausten provided a bid comparison for Board consideration and review, and she recommended the Board award the contract to Pacific Hydrotech. Discussion occurred concerning a bid error in a submitted bid that was subsequently corrected. Director Mandich cited certain differences in bid costs, specifically the proposed shoring costs. Director Acosta asked Ms. Lausten which contractor worked on the Bell Canyon Sewer Lift Station improvement project; Ms. Lausten responded that Ferreira Construction completed that project.

MOTION: Authorize the General Manager to execute a construction contract for the Golf Club Sewer Lift Station Improvements with Pacific Hydrotech Corporation in the amount of \$1,889,300 plus a 5% contingency of \$94,465, for a total not-to-exceed amount of \$1,983,765 – Director Acosta

SECOND: Director Safranski

AYES: Directors Dopudja, Mandich, Acosta, Chadd & Safranski

NOES: None

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ABSTAIN: None

ABSENT: None

MOTION PASSED/FAILED: Passed 5 -0.

ITEM 13: APPROVAL OF PROFESSIONAL SERVICES AGREEMENT WITH MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (MWDOC) FOR LEAD AND COPPER RULE REVISION (LCRR) COMPLIANCE

Mr. Paludi presented this matter for Board consideration, and he reported that this matter was reviewed with the Engineering/Operational Committee. Mr. Paludi reported that the US Environmental Protection Agency (USEPA) updated the Lead and Copper Rule Revisions (LCRR) in 2021 with a compliance requirement by October 16, 2024. Mr. Paludi added that this regulatory requirement is an unfunded requirement that the District is mandatorily required to perform. Ms. Lausten reported that MWDOC has retained Hazen and Sawyer (Hazen) to assist member agencies to meet this requirement as a choice program, but that Hazen has provided a separate hybrid option to the District that is a lower cost than the initial choice program option. Ms. Lausten recommended the Board approve a professional services agreement with Hazen for the LCRR Service Line Inventory with MWDOC.

MOTION: Authorize the General Manager to execute a professional services agreement for the LCRR Service Line Inventory with MWDOC (Choice Program) in the not-to exceed amount of \$98,008 – Director Acosta

SECOND: Director Mandich

AYES: Directors Dopudja, Mandich, Acosta, Chadd & Safranski

NOES: None

ABSTAIN: None

ABSENT: None

MOTION PASSED/FAILED: Passed 5 -0.

ITEM 14: APPROVAL OF AMENDMENT NO. 2 TO PROFESSIONAL SERVICES AGREEMENT WITH JIG CONSULTANTS FOR HERITAGE SEWER LIFT STATION IMPROVEMENTS

Mr. Paludi presented this matter for Board consideration, and he reported that the total project costs with this proposed amendment exceeds his approval authority. Ms. Lausten provided an overview of the project costs to date and that the proposed amendment no. 2 reflects time and material costs for engineering services during construction. Ms. Lausten recommended the Board approve the proposed amendment no. 2 with JIG Consultants.

MOTION: Authorize the General Manager to execute Amendment No. 2 in the amount of \$15,130 to the Professional Services Agreement for Construction Support Services with JIG Consultants for a total agreement not-to-exceed amount of \$111,960 – Director Acosta

SECOND: Director Mandich

AYES: Directors Dopudja, Mandich, Acosta, Chadd & Safranski

NOES: None

ABSTAIN: None

ABSENT: None

MOTION PASSED/FAILED: Passed 5 -0.

ITEM 15: APPROVAL OF AMENDMENT NO. 3 TO PROFESSIONAL SERVICES AGREEMENT WITH JIG CONSULTANTS FOR GOLF CLUB SEWER LIFT STATION IMPROVEMENTS

Mr. Paludi presented this matter for Board consideration, and he reported that the total project costs with this proposed amendment exceeds his approval authority. Ms. Lausten reported that this item is similar to the previous agenda item, and that this proposed amendment no. 3 reflects time and material costs for engineering

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REGULAR BOARD OF DIRECTORS MEETING MINUTES | DECEMBER 21, 2023

services during construction. Ms. Lausten recommended the Board approve the proposed amendment no. 3 with JIG Consultants. Discussion occurred concerning a significant increase in construction management services costs.

MOTION: Authorize the General Manager to execute Amendment No. 3 in the amount of \$75,590 to the Professional Services Agreement for Construction Support Services with JIG Consultants for a total agreement not-to-exceed amount of \$219,085 – Director Acosta

SECOND: Director Mandich

AYES: Directors Dopudja, Mandich, Acosta, Chadd & Safranski

NOES: None

ABSTAIN: None

ABSENT: None

MOTION PASSED/FAILED: Passed 5 -0.

LEGISLATIVE AND OTHER MATTERS

ITEM 16: DISCUSSION AND POSSIBLE ACTION(S) REGARDING POTENTIAL USES OF DISTRICT PROPERTY CONSISTENT WITH THE SURPLUS LAND ACT

Mr. Paludi presented this matter for Board consideration, and he reported that this matter was reviewed with the District Properties Committee. Ms. Collins delivered a PowerPoint presentation which provided an overview of the Surplus Land Act regulations and requirements and the potential impacts on the District's decision-making process to designate District-owned property as surplus land. Discussion occurred concerning the disposition process requirements and associated timelines. The Board recommended the District Properties Committee review potential next steps and provide an update at the next regular meeting.

MOTION: None

ITEM 17: LOCAL GOVERNMENTAL AND LEGISLATIVE MATTER(S)

There were no matters discussed.

MOTION: None

GENERAL COUNSEL REPORT

Ms. Collins reported that she delivered a presentation on Proposition 218 and rate affordability at the California Foundation on the Environment and the Economy (CFEE) Conference in December 2024.

OTHER INFORMATION/MATTERS

None

ADDITIONAL DIRECTORS' COMMENTS

None

ADJOURNMENT

President Dopudja adjourned the December 21, 2023, Regular Board Meeting at 7:18 p.m.

TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | JANUARY 18, 2024

CONSENT CALENDAR

ITEM 2: TREASURER'S REPORT

a. *FINANCE/AUDIT COMMITTEE MEETING*

RECOMMENDED ACTION:

Receive and file the following Finance/Audit Committee Meeting Recap(s):

1. *December 14, 2023*

b. *PRESENTATION OF FINANCIALS*

RECOMMENDED ACTION:

Receive and file the preliminary statement(s) of revenues and expenses and preliminary unaudited financials for the following month(s):

1. *November 2023*

c. *PAYMENT OF BILLS FOR CONSIDERATION*

RECOMMENDED ACTION:

Ratify the payment of bills for consideration, Payroll and Payroll Taxes for December 2023.

EXHIBITS:

1. Revenue Report – December 2023
2. Disbursement Report – December 2023
3. Summary of Disbursements – December 2023
4. General Fund Warrant Register – December 2023
5. General Fund Payroll Warrant Register – December 2023

CONTACTS (staff responsible): PEREA/WARNER



TRABUCO CANYON WATER DISTRICT FINANCE/AUDIT COMMITTEE MEETING RECAP | DECEMBER 14, 2023

DIRECTORS PRESENT

Don Chadd, Committee Chair
Glenn Acosta, Committee Member

STAFF PRESENT

Michael Perea, Assistant General Manager
Lorrie Lausten, District Engineer
Karen Warner, Principal Accountant
Roseann Lejsek, Administrative Assistant
Phil Serpas, SCADA/CMMS Administrator

CONSULTANTS PRESENT

None

PUBLIC PRESENT

None

CALL MEETING TO ORDER

Director Chadd called the December 14, 2023 Finance/Audit Committee Meeting to order at 11:00 a.m.

VISITOR PARTICIPATION

No visitor participation was received.

ORAL COMMUNICATION

No oral communication was received.

COMMITTEE MEMBER COMMENTS

None was received.

REPORT FROM THE GENERAL MANAGER

Mr. Perea reported on the following matters:

- The General Manager was out of the office attending the Colorado River Water Users Association (CRWUA) Conference and that he would be returning the following week.
- “Dropcountr” Mobile Application – The District is rolling out its new water use efficiency mobile application for active customers and will be advertising the app in its monthly newsletter and social media outlets.
- Holiday Toy Drive – The District is collecting unwrapped, unopened toys for the Spark of Love Toy Drive through the end of the business day.

**TRABUCO CANYON WATER DISTRICT
FINANCE AUDIT COMMITTEE MEETING RECAP | DECEMBER 14, 2023**

ITEM 1: FINANCE/AUDIT COMMITTEE MEETING RECAP

Mr. Perea presented the Finance/Audit Committee Meeting Recap for Committee review in accordance with the agenda.

MOTION: Approve the Finance/Audit Committee Meeting Recap and recommended that the Board receive and file the same as amended (Consent Calendar) – Director Chadd
SECOND: Director Acosta
AYES: Directors Acosta & Chadd
NOES: None
ABSTAIN: None
MOTION PASSED/FAILED: Passed 2-0

ITEM 2: RATIFICATION OF DIRECTORS' FEES AND EXPENSES, TENTATIVE FUTURE MEETINGS/ATTENDANCE

Mr. Perea presented the Directors' Fees and Expenses Report and Tentative Future Meetings/Attendance Report for Committee consideration and review.

MOTION: Recommend the Board of Directors ratify the Directors' fees and expenses for November 2023 and tentative future meetings/attendance (Action Calendar) – Director Acosta
SECOND: Director Chadd
AYES: Directors Acosta & Chadd
NOES: None
ABSTAIN: None
MOTION PASSED/FAILED: Passed 2-0

ITEM 3: URBAN WATER INSTITUTE 2024 ANNUAL SPONSORSHIP

Mr. Perea presented this matter for Committee consideration, and he mentioned that the District is a member of the Urban Water Institute (UWI). Mr. Perea added that UWI has restructured their format of sponsorship opportunities by offering one annual sponsorship rather than one for each semi-annual conference. Mr. Perea recommended an annual sponsorship of the UWI for 2024 in the amount of \$3,000 which reflects the same cumulative level of contribution for the prior two years.

MOTION: Recommend the Board of Directors approve an annual sponsorship of the Urban Water Institute for 2024 in the amount of \$3,000 (Action Calendar) – Director Acosta
SECOND: Director Chadd
AYES: Directors Acosta & Chadd
NOES: None
ABSTAIN: None
MOTION PASSED/FAILED: Passed 2-0

ITEM 4: OTHER MATTERS

Mr. Perea did not present any other matters for consideration.

Director Chadd provided a brief update on matters discussed at the Santiago Aqueduct Commission meeting earlier that day, specifically, the proposed State Water Project allocation reduction from 100% to 10% due to lower-than-expected rainfall levels.

MOTION: None

**TRABUCO CANYON WATER DISTRICT
FINANCE AUDIT COMMITTEE MEETING RECAP | DECEMBER 14, 2023**

ITEM 5: FINANCIAL REPORT

Ms. Warner presented the preliminary unaudited financials for October 2023, and she indicated that the format has been updated to show expenses by separate fund. Ms. Warner highlighted the following items:

WATER FUND

Total Operating Revenue

Ms. Warner reported that this line item was trending as budgeted.

Total Source of Supply

Ms. Warner reported that this line item was trending lower than budgeted.

Total Salaries & Benefits

Ms. Warner reported that this line item was trending slightly higher than the year-to-date amount due to the UAL payment in full to CalPERS.

Total Transmission & Distribution

Ms. Warner reported that this line item was trending higher than the year-to-date amount due to increased water quality testing and a welding repair.

Total General & Administrative

Ms. Warner reported that this line item was trending higher than the year-to-date amount.

Net Total Unrestricted Cash Inflow/(Outflow)

Ms. Warner reported that this line item trended a positive increase of water reserves.

Director Chadd inquired about the total costs associated with the District Facilities Tour that was held with the public; Mr. Perea reported that the total cost for the event was approximately \$10,000.

MOTION: Recommend the Board ratify payment of the bills for consideration for December 14, 2023, as presented (Action Calendar) – Director Acosta

SECOND: Director Chadd

AYES: Directors Acosta & Chadd

NOES: None

ABSTAIN: None

MOTION PASSED/FAILED: Passed 2-0

ADJOURNMENT

Director Chadd adjourned the December 14, 2023, Finance/Audit Committee Meeting at 11:19 a.m.



Trabuco Canyon Water District
Balance Sheet
November 30, 2023
(Unaudited)

		November 2023
1 Assets		
2 Cash & Investments		
3 Cash & Investments - Unrestricted	\$ 2,656,933	
4 Cash & Investments - Restricted	4,068,359	
5 Total Cash & Investments	<u>6,725,292</u>	
6 Other Current Assets		
7 Accounts Receivable, Net	2,812,068	
8 Prepaid & Other	57,537	
9 Fair Market Value Adjustment ¹	<u>(35,057)</u>	
10 Total Other Current Assets	2,834,548	
11 Capital Assets		
12 Capital Assets, at Cost	127,610,873	
13 Accumulated Depreciation	(82,232,819)	
14 Construction in Progress	<u>3,267,635</u>	
15 Total Capital Assets	48,645,688	
16 Net OPEB Asset	201,692	
17 Deferred Outflows of Resources (DOR)	2,508,005	
18 Total Assets & DOR	<u>\$ 60,915,225</u>	
19 Liabilities		
20 Current Liabilities		
21 Accounts Payable	\$ 1,095,307	
22 Accrued Expenses	360,833	
23 Current Portion-Long Term Debt	94,972	
24 Deposits on Hand	<u>113,021</u>	
25 Total Current Liabilities	1,664,132	
26 Long-Term Liabilities		
27 Net Pension Liability	4,449,117	
28 State Revolving Fund Loan	1,675,794	
29 Bank of the West Loan	<u>10,000,000</u>	
30 Total Long Term Liabilities	16,124,911	
31 Deferred Inflows of Resources (DIR)	<u>647,305</u>	
32 Total Liabilities & DIR	18,436,348	
33 Net Position	42,478,877	
34 Total Liabilities, Net Position & DIR	<u>\$ 60,915,225</u>	

¹ LAIF and CLASS Fair Market Value is adjusted annually at June 30th. This balance may be different from the cash and investments report during the year based on updated market conditions.



Trabuco Canyon Water District
Cash Investments Report
November 30, 2023
(Unaudited)

	Type	Cost	Market	% Total
District Cash & Investments				
Unrestricted				
Local Agency Investment Fund (LAIF)	Investment	\$ (2,036,905)	\$ (2,009,015)	-30.0%
California Cooperative Liquid Assets Securities System (CLASS)	Investment	3,631,566	3,631,667	54.2%
Bank of the West	Checking	1,062,272	1,062,272	15.9%
Total Unrestricted		2,656,933	2,684,923	40.1%
Restricted				
LAIF - Water Storage Facilities	Investment	1,099,052	1,084,004	16.2%
LAIF - Interim Sewage	Investment	118,797	117,171	1.7%
LAIF - Debt Issuance 2022	Investment	2,612,437	2,576,667	38.5%
CLASS - Debt Issuance	Investment	-	-	0.0%
Cash in CB&T Reserved for SRF Loan	Checking	238,073	238,073	3.6%
Total Restricted		4,068,359	4,015,914	59.9%
Total District Cash & Investments		\$ 6,725,292	\$ 6,700,837	100.0%

Certification

I certify that (1) all investment actions executed since the last report have been made in full compliance with the District's Investment Policy and, (2) the District will meet its expenditure obligations for the next six months as required by California.

Cindy Byerrum

Cindy Byerrum, Treasurer



Trabuco Canyon Water District
Budget to Actual - Water
For the period July 1, 2023 through November 30, 2023
(Unaudited)

	November 2023	YTD Actual	FY 24 Adopted Budget	YTD 42%
1 Operating Revenue				
2 Fixed / Capital Service Charges	\$ 269,810	\$ 1,243,191	\$ 3,113,000	40%
3 Variable Consumption Charges	344,084	1,893,733	3,978,400	48%
4 Baker Treatment Plant Water Sales	283,072	597,541	1,560,500	38%
5 Customer Fees	10,935	57,158	238,800	24%
6 Standby Charges	10,009	10,046	32,300	31%
7 Uncollectable Accounts	-	-	(23,000)	0%
8 Total Operating Revenue	917,910	3,801,669	8,900,000	43%
9 Operating Expense				
10 Source of Supply				
11 Fixed Water Purchases	20,646	171,752	348,900	49%
12 Variable Water Purchases	146,810	605,215	2,015,100	30%
13 Baker Treatment Plant Water Sold	184,523	498,992	1,338,400	37%
14 Water Treatment	27,630	87,776	394,300	22%
15 Pumping Electricity	12,406	145,364	244,300	60%
16 Total Source of Supply	392,015	1,509,099	3,992,100	38%
17 Salaries and Benefits				
18 Employee/Director Wages	148,872	760,304	1,954,800	39%
19 Employee/Director Benefits	37,736	200,645	510,400	39%
20 Retiree Health Insurance	10,807	51,193	115,300	44%
21 Transfer In - 115 OPEB Trust Reimbursement	(10,807)	(51,193)	(115,300)	44%
22 CalPERS Retirement (Normal)	25,744	127,036	323,400	39%
23 CalPERS Unfunded Accrued Liability (Minimum)	-	164,806	170,300	97%
24 Payroll Taxes	8,870	55,886	146,000	38%
25 Total Salaries and Benefits	221,223	1,308,677	3,104,900	42%
26 Transmission and Distribution				
27 System Repairs and Maintenance	14,878	168,183	258,700	65%
28 Vehicles and Equipment	6,088	37,812	101,200	37%
29 Safety, Supplies and Testing	3,250	31,320	45,400	69%
30 Total Transmission and Distribution	24,216	237,315	405,300	59%
31 General and Administrative				
32 Professional Services	41,452	197,364	513,400	38%
33 Office Maintenance, Supplies and Software	27,697	176,122	310,600	57%
34 District Insurance	-	116,597	109,300	107%
35 Dues and Memberships	4,115	47,204	95,400	49%
36 Public Outreach	-	63,721	103,300	62%
37 Customer Service and Billing	3,056	20,537	68,400	30%
38 Conference, Trainings and Travel	294	13,788	34,100	40%
39 Total General and Administrative	76,614	635,334	1,234,500	51%
40 Total Operating Expense	714,068	3,690,424	8,736,800	42%
41 Net Operating Revenue / (Expense)	203,842	111,245	163,200	68%
42 Non-Operating Revenue / (Expense)				
43 Property Tax Revenue	181,396	199,609	1,245,000	16%
44 Interest Revenue - Unrestricted	11,718	30,958	115,700	27%
45 Other Revenue and Reimbursements	51,051	69,275	54,400	127%
46 Miscellaneous Expense	(448)	(85,757)	(6,200)	1383%
47 Net Non-Operating Revenue / (Expense)	243,716	214,085	1,408,900	15%
48 Net Total Revenue / (Expense)	447,558	325,331	1,572,100	21%
49 Other Unrestricted Cash Inflow / (Outflow)				
50 Transfer In - Debt Proceeds for Capital	34,460	380,811	1,206,000	32%
51 Capital Improvement Program (CIP)	(34,460)	(380,811)	(1,206,000)	32%
52 Debt Service - Principal and Interest	-	-	(901,100)	0%
53 Net Other Unrestricted Cash Inflow / (Outflow)	-	-	(901,100)	0%
54 Net Total Unrestricted Cash Inflow / (Outflow)	\$ 447,558	\$ 325,331	\$ 671,000	48%



Trabuco Canyon Water District
District Capital - Water
FY 23-24
(Unaudited)

Project		November 2023	YTD Actual	FY 24 Adopted Budget	YTD 42%
1	Water CIP				
2	Capital Improvements / Replacements				
3	DWTP Office & Storage	\$ -	\$ -	\$ 350,000	0%
4	SCADA System Upgrades FY 24	1,248	154,492	280,000	55%
5	10" Pipeline Replacement - Cooks to Harris Grade	-	-	250,000	0%
6	PSPS Transfer Switch Upgrade - Water	1,240	1,240	60,000	2%
7	DWTP Vault Improvement	1,860	1,860	75,000	2%
8	Administration Office Remodel	29,014	29,014	-	N/A
9	Total Capital Improvements / Replacements	33,362	186,606	1,015,000	18%
10	Equipment				
11	Fleet	-	174,950	91,000	192%
12	Total Equipment	-	174,950	91,000	192%
13	Programs				
14	Pump Replacement Program - Water	-	13,750	50,000	28%
15	PRV - Water	1,098	3,080	20,000	15%
16	Valve Replacements - Water	-	2,424	30,000	8%
17	Total Programs	1,098	19,255	100,000	19%
18	Total Water CIP	\$ 34,460	\$ 380,811	\$ 1,206,000	32%



Trabuco Canyon Water District
Budget to Actual - Sewer
For the period July 1, 2023 through November 30, 2023
(Unaudited)

	November 2023	YTD Actual	FY 24 Adopted Budget	YTD 42%
1 Operating Revenue				
2 Sewer Residential Charges	\$ 167,189	\$ 811,749	\$ 1,933,800	42%
3 Sewer Commercial Charges	16,765	96,279	189,800	51%
4 Customer Fees	18,368	73,172	281,100	26%
5 Uncollectable Accounts	-	-	(3,500)	0%
6 Total Operating Revenue	202,323	981,200	2,401,200	41%
7 Operating Expense				
8 Salaries and Benefits				
9 Employee/Director Wages	73,178	377,736	961,500	39%
10 Employee/Director Benefits	12,813	73,227	235,700	31%
11 Retiree Health Insurance	3,859	18,283	41,200	44%
12 Transfer In - 115 OPEB Trust Reimbursement	(3,859)	(18,283)	(41,200)	44%
13 CalPERS Retirement (Normal)	9,212	45,765	115,600	40%
14 CalPERS Unfunded Accrued Liability (Minimum)	-	76,658	79,200	97%
15 Payroll Taxes	3,168	19,959	73,200	27%
16 Total Salaries and Benefits	98,371	593,345	1,465,200	40%
17 Transmission and Distribution				
18 System Repairs and Maintenance	16,886	130,745	295,600	44%
19 T&D Electricity	20,559	105,646	196,300	54%
20 Vehicles and Equipment	3,745	17,548	39,300	45%
21 Safety, Supplies and Testing	786	7,688	41,200	19%
22 Total Transmission and Distribution	41,974	261,627	572,400	46%
23 General and Administrative				
24 Professional Services	15,645	77,801	184,900	42%
25 Office Maintenance, Supplies and Software	13,007	80,323	159,300	50%
26 District Insurance	-	41,642	42,600	98%
27 Dues and Memberships	2,135	54,062	122,000	44%
28 Public Outreach	-	4,433	18,300	24%
29 Customer Service and Billing	724	4,409	19,200	23%
30 Conference, Trainings and Travel	105	4,924	12,000	41%
31 Total General and Administrative	31,616	267,593	558,300	48%
32 Total Operating Expense	171,962	1,122,566	2,595,900	43%
33 Net Operating Revenue / (Expense)	30,361	(141,366)	(194,700)	73%
34 Non-Operating Revenue / (Expense)				
35 Property Tax Revenue	130,605	143,719	896,000	16%
36 Interest Revenue - Unrestricted	4,119	60,028	105,500	57%
37 Other Revenue and Reimbursements	13,445	16,414	7,300	225%
38 Miscellaneous Expense	(323)	(37,028)	(7,200)	514%
39 Net Non-Operating Revenue / (Expense)	147,846	183,132	1,001,600	
40 Net Total Revenue / (Expense)	178,207	41,766	806,900	
41 Other Unrestricted Cash Inflow / (Outflow)				
42 Transfer In - Debt Proceeds for Capital	69,506	383,053	2,979,500	13%
43 Capital Improvement Program	(69,506)	(383,053)	(2,979,500)	13%
44 Debt Service - Principal and Interest	-	-	(554,100)	0%
45 Net Other Unrestricted Cash Inflow / (Outflow)	(0)	-	(554,100)	0%
46 Net Total Unrestricted Cash Inflow / (Outflow)	\$ 178,207	\$ 41,766	\$ 252,800	



Trabuco Canyon Water District
District Capital - Sewer
FY 23-24
(Unaudited)

Project		November 2023	YTD Actual	FY 24 Adopted Budget	YTD 42%
1	Wastewater CIP				
2	Capital Improvements / Replacements				
3	Golf Club SLS Bypass Construction	\$ 27,021	\$ 112,740	\$ 1,800,000	6%
4	SCADA System Upgrades FY 24	446	55,176	100,000	55%
5	WWTP Hoffman Blower Building Rehab	22,572	34,244	400,000	9%
6	Chiquita FY 24	-	29,026	178,000	16%
7	Heritage SLS Rehab	648	648	100,000	1%
8	PSPS Transfer Switch Upgrade - Sewer	1,318	1,318	60,000	2%
9	WWTP Fiber Optic Upgrade	2,790	2,790	130,000	2%
10	El Toro SLS System Improvements	-	37,469	79,000	47%
11	Administration Office Remodel	10,362	10,362	-	N/A
12	Total Capital Improvements / Replacements	65,155	283,771	2,847,000	10%
13	Equipment				
14	Fleet	-	62,482	32,500	192%
15	Total Equipment	-	62,482	32,500	192%
16	Programs				
17	Manhole Recoating Program - Sewer	-	-	20,000	0%
18	Pump Replacement Program (Sewer)	4,351	19,780	50,000	40%
19	Wetwell Recoating	-	17,020	30,000	57%
20	Total Programs	4,351	36,800	100,000	37%
21	Total Wastewater CIP	\$ 69,506	\$ 383,053	\$ 2,979,500	13%



Trabuco Canyon Water District
Budget to Actual - Recycled
For the period July 1, 2023 through November 30, 2023
(Unaudited)

	November 2023	YTD Actual	FY 24 Adopted Budget	YTD 42%
1 Operating Revenue				
2 Fixed / Capital Service Charges	\$ 11,857	\$ 53,980	\$ 142,200	38%
3 Variable Consumption Charges	115,385	624,575	995,400	63%
4 Customer Fees	-	9,474	7,300	130%
5 Uncollectable Accounts	-	-	(4,000)	0%
6 Total Operating Revenue	127,242	688,029	1,140,900	60%
7 Operating Expense				
8 Source of Supply				
9 Recycled Water Purchases	3,466	16,593	25,900	64%
10 Water Treatment	5,912	54,554	99,400	55%
11 Total Source of Supply	9,377	71,148	125,300	57%
12 Salaries and Benefits				
13 Employee/Director Wages	17,631	91,269	231,400	39%
14 Employee/Director Benefits	4,697	25,326	75,400	34%
15 Retiree Health Insurance	772	3,655	8,200	45%
16 Transfer In - 115 OPEB Trust Reimbursement	(772)	(3,655)	(8,200)	45%
17 CalPERS Retirement (Normal)	1,987	9,859	24,800	40%
18 CalPERS Unfunded Accrued Liability (Minimum)	-	17,340	18,000	96%
19 Payroll Taxes	634	3,992	16,800	24%
20 Total Salaries and Benefits	24,948	147,786	366,400	40%
21 Transmission and Distribution				
22 T&D Electricity	26,005	136,541	282,000	48%
23 System Repairs and Maintenance	6,761	24,337	29,600	82%
24 Vehicles and Equipment	869	4,058	8,600	47%
25 Safety, Supplies and Testing	9,155	46,484	157,600	29%
26 Total Transmission and Distribution	42,789	211,419	477,800	44%
27 General and Administrative				
28 Professional Services	8,745	20,347	36,800	55%
29 Office Maintenance, Supplies and Software	2,404	15,393	27,600	56%
30 District Insurance	-	8,328	8,800	95%
31 Dues and Memberships	294	31,707	36,600	87%
32 Public Outreach	-	887	3,600	25%
33 Customer Service and Billing	145	882	4,000	22%
34 Conference, Trainings and Travel	21	985	2,200	45%
35 Total General and Administrative	11,609	78,529	119,600	66%
36 Total Operating Expense	88,723	508,881	1,089,100	47%
37 Net Operating Revenue / (Expense)	38,519	179,148	51,800	
38 Non-Operating Revenue / (Expense)				
39 Property Tax Revenue	50,791	55,891	349,200	16%
40 Interest Revenue - Unrestricted	806	8,357	21,800	38%
41 Other Revenue and Reimbursements	2,633	3,226	1,800	179%
42 Miscellaneous Expense	(125)	(256)	(1,100)	23%
43 Net Non-Operating Revenue / (Expense)	54,103	67,217	371,700	18%
44 Net Total Revenue / (Expense)	92,622	246,366	423,500	58%
45 Other Unrestricted Cash Inflow / (Outflow)				
46 Transfer In - Debt Proceeds for Capital	2,627	26,069	326,500	8%
47 Capital Improvement Program	(2,627)	(26,069)	(326,500)	8%
48 Debt Service - Principal and Interest	-	-	(81,400)	0%
49 Net Other Unrestricted Cash Inflow / (Outflow)	-	-	(81,400)	0%
50 Net Total Unrestricted Cash Inflow / (Outflow)	\$ 92,622	\$ 246,366	\$ 342,100	72%



Trabuco Canyon Water District
District Capital - Recycled
FY 23-24
(Unaudited)

Project		November 2023	YTD Actual	FY 24 Adopted Budget	YTD 42%
1	Recycled Water CIP				
2	Capital Improvements / Replacements				
3	SCADA System Upgrades FY 24	\$ 89	\$ 11,035	\$ 20,000	55%
4	Dove Recycled Booster Pump Station	-	-	100,000	0%
5	Recycled PRV Vault Improvements - Dove Canyon	465	465	200,000	0%
6	Administration Office Remodel	2,072	2,072	-	N/A
7	Capital Improvements / Replacements Total	2,627	13,573	320,000	4%
8	Equipment				
9	Fleet	-	12,496	6,500	192%
10	Equipment Total	-	12,496	6,500	192%
11	Total Recycled Water CIP	\$ 2,627	\$ 26,069	\$ 326,500	8%



Trabuco Canyon Water District, CA

Bank Transaction Report

Transaction Detail

Issued Date Range: 12/01/2023 - 12/31/2023

Cleared Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
Accounts Payable							
Bank Draft							
12/01/2023		DFT0003362	SANTA MARGARITA WATER DISTRICT	Accounts Payable	Outstanding	Bank Draft	-2,560.69
12/01/2023		DFT0003363	SOUTH COAST AQMD	Accounts Payable	Outstanding	Bank Draft	-665.26
12/01/2023		DFT0003364	VSP	Accounts Payable	Outstanding	Bank Draft	-755.03
12/04/2023		DFT0003365	ADP	Accounts Payable	Outstanding	Bank Draft	-115,455.00
12/04/2023		DFT0003366	SHRED-IT USA, LLC	Accounts Payable	Outstanding	Bank Draft	-68.00
12/04/2023		DFT0003367	CALPERS	Accounts Payable	Outstanding	Bank Draft	-59,844.01
12/04/2023		DFT0003368	PACE PAYMENT SYSTEMS, INC.	Accounts Payable	Outstanding	Bank Draft	-2,656.50
12/04/2023		DFT0003369	THE TOLL ROADS	Accounts Payable	Outstanding	Bank Draft	-140.00
12/06/2023		DFT0003370	CALPERS	Accounts Payable	Outstanding	Bank Draft	-30,247.29
12/08/2023		DFT0003371	COX COMMUNICATIONS	Accounts Payable	Outstanding	Bank Draft	-2,442.45
12/08/2023		DFT0003372	WEX FLEET UNIVERSAL	Accounts Payable	Outstanding	Bank Draft	-4,962.67
12/11/2023		DFT0003373	ADP	Accounts Payable	Outstanding	Bank Draft	-1,940.69
12/11/2023		DFT0003374	COX COMMUNICATIONS	Accounts Payable	Outstanding	Bank Draft	-1,672.23
12/11/2023		DFT0003375	PACE PAYMENT SYSTEMS, INC.	Accounts Payable	Outstanding	Bank Draft	-239.15
12/12/2023		DFT0003376	XEROX CORPORATION	Accounts Payable	Outstanding	Bank Draft	-162.41
12/18/2023		DFT0003377	COX COMMUNICATIONS	Accounts Payable	Outstanding	Bank Draft	-75.76
12/18/2023		DFT0003378	TAB ANSWER NETWORK	Accounts Payable	Outstanding	Bank Draft	-209.29
12/18/2023		DFT0003379	THE TOLL ROADS	Accounts Payable	Outstanding	Bank Draft	-140.00
12/18/2023		DFT0003380	XEROX CORPORATION	Accounts Payable	Outstanding	Bank Draft	-172.59
12/20/2023		DFT0003381	ADP	Accounts Payable	Outstanding	Bank Draft	-122,035.29
12/20/2023		DFT0003382	CSDA Commercial Card - UMPQUA BANK	Accounts Payable	Outstanding	Bank Draft	-5,451.38
12/20/2023		DFT0003383	SOUTHERN CALIFORNIA EDISON	Accounts Payable	Outstanding	Bank Draft	-87,344.44
12/20/2023		DFT0003384	COX COMMUNICATIONS	Accounts Payable	Outstanding	Bank Draft	-671.75
12/20/2023		DFT0003385	GUARDIAN	Accounts Payable	Outstanding	Bank Draft	-3,955.78
12/21/2023		DFT0003386	CALPERS	Accounts Payable	Outstanding	Bank Draft	-29,288.86
12/22/2023		DFT0003387	HOME DEPOT CREDIT SERVICES	Accounts Payable	Outstanding	Bank Draft	-404.66
12/26/2023		DFT0003388	AT&T MOBILITY	Accounts Payable	Outstanding	Bank Draft	-2,734.75
12/27/2023		DFT0003389	WAGE WORKS, INC.	Accounts Payable	Outstanding	Bank Draft	-75.00
12/29/2023		DFT0003390	ADP	Accounts Payable	Outstanding	Bank Draft	-112.00
12/29/2023		DFT0003391	PITNEY BOWES GLOBAL FINANCIAL SERVICES LLC	Accounts Payable	Outstanding	Bank Draft	-190.02
12/29/2023		DFT0003392	THE TOLL ROADS	Accounts Payable	Outstanding	Bank Draft	-140.00
Bank Draft Total: (31)							-476,812.95
Check							
12/12/2023		12182	AT&T	Accounts Payable	Outstanding	Check	-1,018.83

Bank Transaction Report

Issued Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
12/12/2023		12183	CARTEGRAPH	Accounts Payable	Outstanding	Check	-13,001.97
12/12/2023		12184	COUNTY OF ORANGE	Accounts Payable	Outstanding	Check	-2,435.90
12/12/2023		12185	DELCO SERVICE, INC.	Accounts Payable	Outstanding	Check	-1,097.97
12/12/2023		12186	DMC ENGINEERING	Accounts Payable	Outstanding	Check	-7,744.56
12/12/2023		12187	EAGLE COMMUNICATIONS	Accounts Payable	Outstanding	Check	-2,402.75
12/12/2023		12188	FEDEX	Accounts Payable	Outstanding	Check	-26.43
12/12/2023		12189	FERGUSON WATERWORKS	Accounts Payable	Outstanding	Check	-10,750.00
12/12/2023		12190	FLEET SERVICES, INC.	Accounts Payable	Outstanding	Check	-2,004.44
12/12/2023		12191	GREENSTONE MATERIALS INC.	Accounts Payable	Outstanding	Check	-682.49
12/12/2023		12192	HANSON BRIDGETT LLP	Accounts Payable	Outstanding	Check	-28,518.00
12/12/2023		12193	HYDROTECH ELECTRIC	Accounts Payable	Outstanding	Check	-4,677.58
12/12/2023		12194	INFOSEND, INC.	Accounts Payable	Outstanding	Check	-1,469.93
12/12/2023		12195	IRVINE RANCH WATER DISTRICT	Accounts Payable	Outstanding	Check	-212,038.45
12/12/2023		12196	JIG CONSULTANTS	Accounts Payable	Outstanding	Check	-7,317.50
12/12/2023		12197	ORANGE COUNTY PUMPING, INC.	Accounts Payable	Outstanding	Check	-2,840.00
12/12/2023		12198	O'REILLY AUTOMOTIVE, INC.	Accounts Payable	Outstanding	Check	-672.34
12/12/2023		12199	ORKIN, INC.	Accounts Payable	Outstanding	Check	-831.97
12/12/2023		12200	PROJECT PARTNERS, INC.	Accounts Payable	Outstanding	Check	-24,257.50
12/12/2023		12201	Void Check	Accounts Payable	Voided	Check	0.00
12/12/2023		12202	PSOMAS	Accounts Payable	Outstanding	Check	-1,907.50
12/12/2023		12203	S & J SUPPLY COMPANY	Accounts Payable	Outstanding	Check	-6,140.68
12/12/2023		12204	SCOTT EQUIPMENT	Accounts Payable	Outstanding	Check	-317.06
12/12/2023		12205	SIERRA ANALYTICAL	Accounts Payable	Outstanding	Check	-3,696.50
12/12/2023		12206	STATE WATER RESOURCES CONTROL BOARD	Accounts Payable	Outstanding	Check	-110.00
12/12/2023		12207	SUNSET INDUSTRIAL PARTS	Accounts Payable	Outstanding	Check	-1,903.90
12/12/2023		12208	SWRCB ACCOUNTING OFFICE	Accounts Payable	Outstanding	Check	-3,746.00
12/12/2023		12209	UNITED RENTALS (NORTH AMERICA), INC.	Accounts Payable	Outstanding	Check	-1,003.16
12/12/2023		12210	USA BLUEBOOK	Accounts Payable	Outstanding	Check	-1,480.42
12/12/2023		12211	VAUGHAN'S INDUSTRIAL REPAIR COMPANY, INC.	Accounts Payable	Outstanding	Check	-8,058.50
12/12/2023		12212	WECK LABORATORIES	Accounts Payable	Outstanding	Check	-274.70
12/12/2023		12213	WIENHOFF DRUG TESTING	Accounts Payable	Outstanding	Check	-935.00
12/18/2023		12215	OSCAR ULLOA	Accounts Payable	Outstanding	Check	-4,324.73
12/19/2023		12216	BRENT MONSON	Accounts Payable	Outstanding	Check	-250.00
12/21/2023		12219	BIG BRAND TIRE & SERVICE	Accounts Payable	Outstanding	Check	-1,563.08
12/21/2023		12220	CHEMTRADE CHEMICALS US LLC	Accounts Payable	Outstanding	Check	-3,394.70
12/21/2023		12221	COUNTY OF ORANGE	Accounts Payable	Outstanding	Check	-6,821.87
12/21/2023		12222	DELCO SERVICE, INC.	Accounts Payable	Outstanding	Check	-2,319.62
12/21/2023		12223	EAGLE COMMUNICATIONS	Accounts Payable	Outstanding	Check	-1,392.25
12/21/2023		12224	HANSON BRIDGETT LLP	Accounts Payable	Outstanding	Check	-15,824.85
12/21/2023		12225	HARBOR POINTE AIR CONDITIONING & CONTROL SYSTEM	Accounts Payable	Outstanding	Check	-1,354.22
12/21/2023		12226	HIGHROAD INFORMATION TECHNOLOGY, LLC.	Accounts Payable	Outstanding	Check	-8,132.53
12/21/2023		12227	HYDROTECH ELECTRIC	Accounts Payable	Outstanding	Check	-12,620.00
12/21/2023		12228	INFOSEND, INC.	Accounts Payable	Outstanding	Check	-3,348.99

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Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
12/21/2023		12229	IRVINE RANCH WATER DISTRICT	Accounts Payable	Outstanding	Check	-33,560.42
12/21/2023		12230	NEW DIMENSION GENERAL CONSTRUCTION	Accounts Payable	Outstanding	Check	-38,422.93
12/21/2023		12231	OC KEYS LLC	Accounts Payable	Outstanding	Check	-650.23
12/21/2023		12232	ORANGE COUNTY PUMPING, INC.	Accounts Payable	Outstanding	Check	-2,840.00
12/21/2023		12233	O'REILLY AUTOMOTIVE, INC.	Accounts Payable	Outstanding	Check	-675.32
12/21/2023		12234	ORKIN, INC.	Accounts Payable	Outstanding	Check	-829.97
12/21/2023		12235	PARKWAY LAWNMOWER SHOP	Accounts Payable	Outstanding	Check	-558.02
12/21/2023		12236	PSOMAS	Accounts Payable	Outstanding	Check	-4,952.50
12/21/2023		12237	QUINN COMPANY	Accounts Payable	Outstanding	Check	-598.81
12/21/2023		12238	S & J SUPPLY COMPANY	Accounts Payable	Outstanding	Check	-7,658.87
12/21/2023		12239	SANTA MARGARITA WATER DISTRICT	Accounts Payable	Outstanding	Check	-660.00
12/21/2023		12240	SIERRA ANALYTICAL	Accounts Payable	Outstanding	Check	-700.00
12/21/2023		12241	SOTO RESOURCES	Accounts Payable	Outstanding	Check	-1,397.50
12/21/2023		12242	SOUTH ORANGE COUNTY WASTEWATER AUTHORITY	Accounts Payable	Outstanding	Check	-1,541.04
12/21/2023		12243	TOUCH TEL MOBILE	Accounts Payable	Outstanding	Check	-625.00
12/21/2023		12244	UNDERGROUND SERVICE ALERT/SC	Accounts Payable	Outstanding	Check	-86.66
12/21/2023		12245	USA BLUEBOOK	Accounts Payable	Outstanding	Check	-1,363.96
Check Total: (61)							-511,830.10
EFT							
12/01/2023		441	AMAZON	Accounts Payable	Outstanding	EFT	-2,984.99
12/01/2023		442	HERC RENTALS	Accounts Payable	Outstanding	EFT	-1,903.03
12/01/2023		443	OLIN CHEMICALS	Accounts Payable	Outstanding	EFT	-9,493.62
12/01/2023		444	PEBBLE SPRING WATER	Accounts Payable	Outstanding	EFT	-83.00
12/01/2023		445	ROCKSPARK INC.	Accounts Payable	Outstanding	EFT	-3,978.75
12/01/2023		446	TESCO CONTROLS, INC.	Accounts Payable	Outstanding	EFT	-5,444.55
12/01/2023		447	ALS - TRUESDAIL LABORATORIES	Accounts Payable	Outstanding	EFT	-4,320.00
12/01/2023		448	UNIFIRST CORPORATION	Accounts Payable	Outstanding	EFT	-302.89
12/13/2023		449	ACWA JPIA - LIFE	Accounts Payable	Outstanding	EFT	-485.74
12/13/2023		450	ALS - TRUESDAIL LABORATORIES	Accounts Payable	Outstanding	EFT	-864.00
12/13/2023		451	AMAZON	Accounts Payable	Outstanding	EFT	-61.29
12/13/2023		452	EIDE BAILLY	Accounts Payable	Outstanding	EFT	-7,262.50
12/13/2023		453	HERC RENTALS	Accounts Payable	Outstanding	EFT	-3,666.98
12/13/2023		454	J. S. HELD LLC	Accounts Payable	Outstanding	EFT	-11,574.00
12/13/2023		455	MWDOC	Accounts Payable	Outstanding	EFT	-93,866.63
12/13/2023		456	PEBBLE SPRING WATER	Accounts Payable	Outstanding	EFT	-138.50
12/13/2023		457	TESCO CONTROLS, INC.	Accounts Payable	Outstanding	EFT	-1,320.00
12/13/2023		458	UNIFIRST CORPORATION	Accounts Payable	Outstanding	EFT	-496.09
12/13/2023		459	SPGGC, LLC	Accounts Payable	Outstanding	EFT	-2,123.00
12/20/2023		460	BMO Bank National Association	Accounts Payable	Outstanding	EFT	-72,097.23
12/20/2023		461	CALIFORNIA BANK & TRUST	Accounts Payable	Outstanding	EFT	-115,190.52
12/22/2023		462	ALS - TRUESDAIL LABORATORIES	Accounts Payable	Outstanding	EFT	-2,748.00
12/22/2023		463	AMAZON	Accounts Payable	Outstanding	EFT	-2,141.86

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Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
12/22/2023		464	EIDE BAILLY	Accounts Payable	Outstanding	EFT	-6,825.00
12/22/2023		465	IRVINE PIPE SUPPLY	Accounts Payable	Outstanding	EFT	-443.52
12/22/2023		466	MWDOC	Accounts Payable	Outstanding	EFT	-88,712.33
12/22/2023		467	OLIN CHEMICALS	Accounts Payable	Outstanding	EFT	-6,454.28
12/22/2023		468	PEBBLE SPRING WATER	Accounts Payable	Outstanding	EFT	-160.00
12/22/2023		469	ROCKSPARK INC.	Accounts Payable	Outstanding	EFT	-5,730.00
12/22/2023		470	UNIFIRST CORPORATION	Accounts Payable	Outstanding	EFT	-426.61
EFT Total: (30)							-451,298.91
Accounts Payable Total: (122)							-1,439,941.96

Accounts Receivable

Deposit

12/05/2023		DEP0022922	County of Orange - admin fees	Accounts Receivable	Outstanding	Deposit	0.03
12/05/2023		DEP0022922	County of Orange - admin fees	Accounts Receivable	Outstanding	Deposit	0.13
12/05/2023		DEP0022922	County of Orange - admin fees	Accounts Receivable	Outstanding	Deposit	-0.16
12/05/2023		DEP0022922	County of Orange - admin fees	Accounts Receivable	Outstanding	Deposit	0.63
12/05/2023		DEP0022922	County of Orange - admin fees	Accounts Receivable	Outstanding	Deposit	-0.78
12/05/2023		DEP0022922	County of Orange - admin fees	Accounts Receivable	Outstanding	Deposit	0.88
12/05/2023		DEP0022922	County of Orange - admin fees	Accounts Receivable	Outstanding	Deposit	0.12
12/05/2023		DEP0022922	County of Orange - admin fees	Accounts Receivable	Outstanding	Deposit	0.15
12/05/2023		DEP0022922	County of Orange - admin fees	Accounts Receivable	Outstanding	Deposit	-0.15
12/05/2023		DEP0022922	County of Orange - admin fees	Accounts Receivable	Outstanding	Deposit	0.22
12/05/2023		DEP0022922	County of Orange - admin fees	Accounts Receivable	Outstanding	Deposit	-1.10
12/05/2023		DEP0022922	County of Orange - admin fees	Accounts Receivable	Outstanding	Deposit	0.03
12/07/2023		DEP0022925	County of Orange - Property Taxes	Accounts Receivable	Outstanding	Deposit	84.53
12/07/2023		DEP0022925	County of Orange - Property Taxes	Accounts Receivable	Outstanding	Deposit	232.95
12/07/2023		DEP0022925	County of Orange - Property Taxes	Accounts Receivable	Outstanding	Deposit	11.83
12/07/2023		DEP0022925	County of Orange - Property Taxes	Accounts Receivable	Outstanding	Deposit	48.95
12/07/2023		DEP0022925	County of Orange - Property Taxes	Accounts Receivable	Outstanding	Deposit	3,292.50
12/07/2023		DEP0022925	County of Orange - Property Taxes	Accounts Receivable	Outstanding	Deposit	77.37
12/07/2023		DEP0022925	County of Orange - Property Taxes	Accounts Receivable	Outstanding	Deposit	11.83
12/07/2023		DEP0022925	County of Orange - Property Taxes	Accounts Receivable	Outstanding	Deposit	1,663.92
12/07/2023		DEP0022925	County of Orange - Property Taxes	Accounts Receivable	Outstanding	Deposit	552.66
12/07/2023		DEP0022925	County of Orange - Property Taxes	Accounts Receivable	Outstanding	Deposit	77.37
12/07/2023		DEP0022925	County of Orange - Property Taxes	Accounts Receivable	Outstanding	Deposit	1,164.65
12/07/2023		DEP0022925	County of Orange - Property Taxes	Accounts Receivable	Outstanding	Deposit	60.87
12/07/2023		DEP0022925	County of Orange - Property Taxes	Accounts Receivable	Outstanding	Deposit	48.95
12/07/2023		DEP0022925	County of Orange - Property Taxes	Accounts Receivable	Outstanding	Deposit	251.74
12/07/2023		DEP0022925	County of Orange - Property Taxes	Accounts Receivable	Outstanding	Deposit	397.91
12/07/2023		DEP0022925	County of Orange - Property Taxes	Accounts Receivable	Outstanding	Deposit	1,198.02
12/07/2023		DEP0022925	County of Orange - Property Taxes	Accounts Receivable	Outstanding	Deposit	349.64
12/07/2023		DEP0022925	County of Orange - Property Taxes	Accounts Receivable	Outstanding	Deposit	232.94
12/11/2023		DEP0022901	OFCA Invoice #AR-A00239 12/11/23	Accounts Receivable	Outstanding	Deposit	150.00

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Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
12/11/2023		DEP0022904	Oaks at Trabuco Invoice #AR-A00242 12/11/23	Accounts Receivable	Outstanding	Deposit	12,000.00
12/11/2023		DEP0022907	SMWD Invoice #AR-A00241 12/11/23	Accounts Receivable	Outstanding	Deposit	8,759.52
12/12/2023		DEP0022928	Dove Canyon Recovery Invoice #AR-A00237 12/12/23	Accounts Receivable	Outstanding	Deposit	25,000.00
12/13/2023		DEP0022944	County of Orange Invoice #AR-A00238 12/13/23	Accounts Receivable	Outstanding	Deposit	150.00
12/13/2023		DEP0022944	County of Orange Invoice #AR-A00238 12/13/23	Accounts Receivable	Outstanding	Deposit	3,760.00
12/13/2023		DEP0022944	County of Orange Invoice #AR-A00238 12/13/23	Accounts Receivable	Outstanding	Deposit	360.00
12/14/2023		DEP0022960	T-Mobile Lease 12/14/23	Accounts Receivable	Outstanding	Deposit	282.17
12/14/2023		DEP0022960	T-Mobile Lease 12/14/23	Accounts Receivable	Outstanding	Deposit	2,195.66
12/19/2023		DEP0023030	Apply fees	Accounts Receivable	Outstanding	Deposit	115.02
12/19/2023		DEP0023030	Apply fees	Accounts Receivable	Outstanding	Deposit	-115.02
12/19/2023		DEP0023030	Apply fees	Accounts Receivable	Outstanding	Deposit	115.02
12/19/2023		DEP0023030	Apply fees	Accounts Receivable	Outstanding	Deposit	-115.02
12/19/2023		DEP0023030	Apply fees	Accounts Receivable	Outstanding	Deposit	-821.56
12/19/2023		DEP0023030	Apply fees	Accounts Receivable	Outstanding	Deposit	821.56
12/19/2023		DEP0023030	Apply fees	Accounts Receivable	Outstanding	Deposit	591.52
12/19/2023		DEP0023030	Apply fees	Accounts Receivable	Outstanding	Deposit	-591.52
12/21/2023		DEP0023147	County of Orange - Property Taxes	Accounts Receivable	Outstanding	Deposit	43,332.55
12/21/2023		DEP0023147	County of Orange - Property Taxes	Accounts Receivable	Outstanding	Deposit	43,332.55
12/21/2023		DEP0023147	County of Orange - Property Taxes	Accounts Receivable	Outstanding	Deposit	309,518.25
12/21/2023		DEP0023147	County of Orange - Property Taxes	Accounts Receivable	Outstanding	Deposit	222,853.14
12/21/2023		DEP0023147	County of Orange - Property Taxes	Accounts Receivable	Outstanding	Deposit	5,754.52
12/26/2023		DEP0023072	OCFA Invoice #AR-A00254 12/26/23	Accounts Receivable	Outstanding	Deposit	150.00
Deposit Total: (53)							687,356.99
Accounts Receivable Total: (53)							687,356.99

Utility Billing
Check

12/18/2023	12214	ALLAN BURNHAM	Utility Billing	Outstanding	Check	-155.08
12/20/2023	12217	CHAMPION PAVING INC.	Utility Billing	Outstanding	Check	-1,862.30
12/20/2023	12218	CASEY SPOLAR	Utility Billing	Outstanding	Check	-1,438.71
Check Total: (3)						-3,456.09

Deposit

12/01/2023	DEP0022817	Utility Payment Packet UBPKT10077	Utility Billing	Outstanding	Deposit	4,186.64
12/01/2023	DEP0022820	Utility Payment Packet UBPKT10078	Utility Billing	Outstanding	Deposit	3,407.30
12/01/2023	DEP0022823	Utility Payment Packet UBPKT10079	Utility Billing	Outstanding	Deposit	13,287.04
12/04/2023	DEP0022826	Utility Payment Packet UBPKT10080	Utility Billing	Outstanding	Deposit	3,743.65
12/04/2023	DEP0022829	Utility Payment Packet UBPKT10081	Utility Billing	Outstanding	Deposit	3,754.47
12/04/2023	DEP0022838	Utility Payment Packet UBPKT10082	Utility Billing	Outstanding	Deposit	10,675.58
12/04/2023	DEP0022841	Utility Payment Packet UBPKT10083	Utility Billing	Outstanding	Deposit	18,292.94
12/04/2023	DEP0022844	Utility Payment Packet UBPKT10084	Utility Billing	Outstanding	Deposit	20,908.22
12/05/2023	DEP0022847	Utility Payment Packet UBPKT10085	Utility Billing	Outstanding	Deposit	5,446.68
12/05/2023	DEP0022850	Utility Payment Packet UBPKT10090	Utility Billing	Outstanding	Deposit	6,418.53
12/05/2023	DEP0022853	Utility Payment Packet UBPKT10091	Utility Billing	Outstanding	Deposit	7,428.62

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Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
12/05/2023		DEP0022856	Utility Reverse Payment Packet UBPKT10092	Utility Billing	Outstanding	Deposit	-2,898.78
12/06/2023		DEP0022859	Utility Payment Packet UBPKT10093	Utility Billing	Outstanding	Deposit	1,058.36
12/06/2023		DEP0022862	Utility Payment Packet UBPKT10094	Utility Billing	Outstanding	Deposit	9,253.18
12/06/2023		DEP0022865	Utility Payment Packet UBPKT10095	Utility Billing	Outstanding	Deposit	7,710.94
12/06/2023		DEP0022868	Utility Payment Packet UBPKT10099	Utility Billing	Outstanding	Deposit	4,485.51
12/07/2023		DEP0022871	Utility Payment Packet UBPKT10100	Utility Billing	Outstanding	Deposit	1,223.06
12/07/2023		DEP0022874	Utility Payment Packet UBPKT10101	Utility Billing	Outstanding	Deposit	4,785.02
12/07/2023		DEP0022877	Utility Payment Packet UBPKT10102	Utility Billing	Outstanding	Deposit	4,125.79
12/07/2023		DEP0022880	Utility Payment Packet UBPKT10103	Utility Billing	Outstanding	Deposit	4,025.46
12/08/2023		DEP0022883	Utility Payment Packet UBPKT10104	Utility Billing	Outstanding	Deposit	3,055.32
12/08/2023		DEP0022886	Utility Payment Packet UBPKT10106	Utility Billing	Outstanding	Deposit	2,445.40
12/08/2023		DEP0022889	Utility Payment Packet UBPKT10107	Utility Billing	Outstanding	Deposit	4,201.97
12/08/2023		DEP0022892	Utility Payment Packet UBPKT10108	Utility Billing	Outstanding	Deposit	7,509.02
12/11/2023		DEP0022895	Utility Payment Packet UBPKT10109	Utility Billing	Outstanding	Deposit	1,868.68
12/11/2023		DEP0022898	Utility Payment Packet UBPKT10110	Utility Billing	Outstanding	Deposit	2,711.98
12/11/2023		DEP0022910	Utility Payment Packet UBPKT10114	Utility Billing	Outstanding	Deposit	14,539.65
12/11/2023		DEP0022913	Utility Payment Packet UBPKT10115	Utility Billing	Outstanding	Deposit	15,712.81
12/12/2023		DEP0022916	Utility Payment Packet UBPKT10116	Utility Billing	Outstanding	Deposit	5,048.91
12/12/2023		DEP0022919	Utility Payment Packet UBPKT10118	Utility Billing	Outstanding	Deposit	3,667.09
12/12/2023		DEP0022931	Utility Payment Packet UBPKT10117	Utility Billing	Outstanding	Deposit	2,126.39
12/12/2023		DEP0022934	Utility Payment Packet UBPKT10120	Utility Billing	Outstanding	Deposit	4,927.15
12/13/2023		DEP0022938	Utility Payment Packet UBPKT10121	Utility Billing	Outstanding	Deposit	2,127.69
12/13/2023		DEP0022941	Utility Payment Packet UBPKT10122	Utility Billing	Outstanding	Deposit	3,218.17
12/13/2023		DEP0022947	Utility Payment Packet UBPKT10123	Utility Billing	Outstanding	Deposit	21,213.56
12/13/2023		DEP0022950	Utility Payment Packet UBPKT10125	Utility Billing	Outstanding	Deposit	9,244.63
12/14/2023		DEP0022953	Utility Payment Packet UBPKT10126	Utility Billing	Outstanding	Deposit	2,023.06
12/14/2023		DEP0022956	Utility Payment Packet UBPKT10127	Utility Billing	Outstanding	Deposit	3,055.12
12/14/2023		DEP0022963	Utility Payment Packet UBPKT10128	Utility Billing	Outstanding	Deposit	6,032.25
12/14/2023		DEP0022966	Utility Payment Packet UBPKT10132	Utility Billing	Outstanding	Deposit	5,839.59
12/15/2023		DEP0022969	Utility Payment Packet UBPKT10134	Utility Billing	Outstanding	Deposit	9,587.07
12/15/2023		DEP0022972	Utility Payment Packet UBPKT10135	Utility Billing	Outstanding	Deposit	3,665.88
12/15/2023		DEP0022975	Utility Payment Packet UBPKT10133	Utility Billing	Outstanding	Deposit	18,857.07
12/18/2023		DEP0022977	ACH Draft Packet UBPKT10026	Utility Billing	Outstanding	Deposit	177,448.79
12/18/2023		DEP0022980	Utility Payment Packet UBPKT10136	Utility Billing	Outstanding	Deposit	11,049.58
12/18/2023		DEP0022983	Utility Payment Packet UBPKT10137	Utility Billing	Outstanding	Deposit	6,604.75
12/18/2023		DEP0022989	Utility Payment Packet UBPKT10138	Utility Billing	Outstanding	Deposit	13,241.77
12/18/2023		DEP0022992	Utility Payment Packet UBPKT10140	Utility Billing	Outstanding	Deposit	6,562.42
12/18/2023		DEP0023002	Utility Payment Packet UBPKT10144	Utility Billing	Outstanding	Deposit	271,816.77
12/19/2023		DEP0022995	Utility Payment Packet UBPKT10143	Utility Billing	Outstanding	Deposit	1,580.67
12/19/2023		DEP0022998	Utility Payment Packet UBPKT10141	Utility Billing	Outstanding	Deposit	5,637.08
12/19/2023		DEP0023004	Utility Payment Packet UBPKT10142	Utility Billing	Outstanding	Deposit	3,105.02
12/19/2023		DEP0023015	Utility Payment Packet UBPKT10155	Utility Billing	Outstanding	Deposit	57,710.70
12/20/2023		DEP0023018	Utility Payment Packet UBPKT10156	Utility Billing	Outstanding	Deposit	537.24

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Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
12/20/2023		DEP0023021	Utility Payment Packet UBPKT10157	Utility Billing	Outstanding	Deposit	941.65
12/20/2023		DEP0023024	Utility Payment Packet UBPKT10158	Utility Billing	Outstanding	Deposit	15,482.01
12/20/2023		DEP0023033	Utility Payment Packet UBPKT10159	Utility Billing	Outstanding	Deposit	3,789.35
12/21/2023		DEP0023036	Utility Payment Packet UBPKT10160	Utility Billing	Outstanding	Deposit	131.07
12/21/2023		DEP0023039	Utility Payment Packet UBPKT10161	Utility Billing	Outstanding	Deposit	880.72
12/21/2023		DEP0023042	Utility Payment Packet UBPKT10162	Utility Billing	Outstanding	Deposit	4,210.46
12/21/2023		DEP0023045	Utility Reverse Payment Packet UBPKT10168	Utility Billing	Outstanding	Deposit	-185.80
12/21/2023		DEP0023048	Utility Reverse Payment Packet UBPKT10170	Utility Billing	Outstanding	Deposit	-160.20
12/21/2023		DEP0023051	Utility Payment Packet UBPKT10173	Utility Billing	Outstanding	Deposit	21,117.01
12/22/2023		DEP0023054	Utility Payment Packet UBPKT10174	Utility Billing	Outstanding	Deposit	1,007.34
12/22/2023		DEP0023057	Utility Payment Packet UBPKT10175	Utility Billing	Outstanding	Deposit	324.67
12/22/2023		DEP0023060	Utility Payment Packet UBPKT10176	Utility Billing	Outstanding	Deposit	10,569.54
12/22/2023		DEP0023063	Utility Reverse Payment Packet UBPKT10177	Utility Billing	Outstanding	Deposit	-155.08
12/26/2023		DEP0023066	Utility Payment Packet UBPKT10179	Utility Billing	Outstanding	Deposit	876.16
12/26/2023		DEP0023069	Utility Payment Packet UBPKT10178	Utility Billing	Outstanding	Deposit	745.54
12/26/2023		DEP0023075	Utility Payment Packet UBPKT10180	Utility Billing	Outstanding	Deposit	1,453.26
12/26/2023		DEP0023078	Utility Payment Packet UBPKT10183	Utility Billing	Outstanding	Deposit	5,060.96
12/27/2023		DEP0023081	Utility Payment Packet UBPKT10184	Utility Billing	Outstanding	Deposit	8,825.55
12/27/2023		DEP0023084	Utility Payment Packet UBPKT10185	Utility Billing	Outstanding	Deposit	2,696.47
12/27/2023		DEP0023087	Utility Payment Packet UBPKT10186	Utility Billing	Outstanding	Deposit	5,988.32
12/27/2023		DEP0023090	Utility Payment Packet UBPKT10188	Utility Billing	Outstanding	Deposit	4,388.55
12/28/2023		DEP0023093	Utility Payment Packet UBPKT10189	Utility Billing	Outstanding	Deposit	4,012.23
12/28/2023		DEP0023096	Utility Payment Packet UBPKT10190	Utility Billing	Outstanding	Deposit	8,021.21
12/28/2023		DEP0023099	Utility Payment Packet UBPKT10191	Utility Billing	Outstanding	Deposit	734.28
12/28/2023		DEP0023102	Utility Payment Packet UBPKT10193	Utility Billing	Outstanding	Deposit	4,402.94
12/29/2023		DEP0023105	Utility Payment Packet UBPKT10195	Utility Billing	Outstanding	Deposit	2,430.17
12/29/2023		DEP0023108	Utility Payment Packet UBPKT10196	Utility Billing	Outstanding	Deposit	5,889.43
12/29/2023		DEP0023111	Utility Payment Packet UBPKT10194	Utility Billing	Outstanding	Deposit	32,798.21
Deposit Total: (82)							985,567.48
Utility Billing Total: (85)							982,111.39
Report Total: (260)							229,526.42

Summary

Bank Account	Count	Amount
030866939 Bank of the West Checking	260	229,526.42
Report Total:	260	229,526.42

Cash Account	Count	Amount
No Cash Account	1	0.00
99 99-000-1004 Bank of the West Checking (Pooled Cash)	259	229,526.42
Report Total:	260	229,526.42

Transaction Type	Count	Amount
Bank Draft	31	-476,812.95
Check	64	-515,286.19
Deposit	135	1,672,924.47
EFT	30	-451,298.91
Report Total:	260	229,526.42



Trabuco Canyon Water District
General Fund Warrant Register
12/13/2023

Summary of Disbursements

Computer Checks	640,865.12
UB Refund Checks	132.36
Void UB Refund	-
Bank Drafts	492,120.85
Bank EFTs	224,515.22
Voided Payments	(42,380.10)
Total Disbursements	1,315,253.45

I hereby certify that the claims or demands covered by the above listed warrants have been audited as to accuracy and the availability of funds for payment thereof; and that the said claims or demands are accurate and that the funds are available.

General Manager / Assistant General Manager

This is to certify that claims or demands covered by the above listed warrants have been audited by the Finance/Audit Committee of the Trabuco Canyon Water District and that all of the said warrants are approved for payment.

By:

12/14/2023

Date:

By:

12/14/23

Date:



Trabuco Canyon Water District, CA

Bank Transaction Report

Transaction Detail

Issued Date Range: 11/08/2023 - 12/12/2023

Cleared Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
Accounts Payable							
Bank Draft							
11/08/2023		DFT0003336	WAGE WORKS, INC.	Accounts Payable	Outstanding	Bank Draft	-657.20
11/09/2023		DFT0003337	HOME DEPOT CREDIT SERVICES	Accounts Payable	Outstanding	Bank Draft	-3,730.49
11/09/2023		DFT0003338	THE TOLL ROADS	Accounts Payable	Outstanding	Bank Draft	-140.00
11/10/2023		DFT0003339	ADP	Accounts Payable	Outstanding	Bank Draft	-1,897.25
11/10/2023		DFT0003340	COX COMMUNICATIONS	Accounts Payable	Outstanding	Bank Draft	-1,672.23
11/10/2023		DFT0003341	LOWE'S	Accounts Payable	Outstanding	Bank Draft	-554.45
11/10/2023		DFT0003342	PACE PAYMENT SYSTEMS, INC.	Accounts Payable	Outstanding	Bank Draft	-273.20
11/13/2023		DFT0003343	WAGE WORKS, INC.	Accounts Payable	Outstanding	Bank Draft	-623.48
11/13/2023		DFT0003344	XEROX CORPORATION	Accounts Payable	Outstanding	Bank Draft	-242.17
11/14/2023		DFT0003346	SECURITAS TECHNOLOGY	Accounts Payable	Outstanding	Bank Draft	-2,013.15
11/14/2023		DFT0003347	SECURITAS TECHNOLOGY	Accounts Payable	Outstanding	Bank Draft	-2,013.15
11/15/2023		DFT0003348	COX COMMUNICATIONS	Accounts Payable	Outstanding	Bank Draft	-74.40
11/15/2023		DFT0003349	SECURITAS TECHNOLOGY	Accounts Payable	Outstanding	Bank Draft	-1,401.28
11/17/2023		DFT0003350	ADP	Accounts Payable	Outstanding	Bank Draft	-114,877.03
11/20/2023		DFT0003351	COX COMMUNICATIONS	Accounts Payable	Outstanding	Bank Draft	-671.75
11/20/2023		DFT0003352	SOUTHERN CALIFORNIA EDISON	Accounts Payable	Outstanding	Bank Draft	-80,459.13
11/20/2023		DFT0003353	TAB ANSWER NETWORK	Accounts Payable	Outstanding	Bank Draft	-188.76
11/21/2023		DFT0003354	CALPERS	Accounts Payable	Outstanding	Bank Draft	-29,521.27
11/21/2023		DFT0003355	THE TOLL ROADS	Accounts Payable	Outstanding	Bank Draft	-140.00
11/22/2023		DFT0003356	WEX FLEET UNIVERSAL	Accounts Payable	Outstanding	Bank Draft	-6,115.16
11/24/2023		DFT0003357	ADP	Accounts Payable	Outstanding	Bank Draft	-108.00
11/24/2023		DFT0003358	AT&T MOBILITY	Accounts Payable	Outstanding	Bank Draft	-2,730.71
11/24/2023		DFT0003359	WAGE WORKS, INC.	Accounts Payable	Outstanding	Bank Draft	-75.00
11/27/2023		DFT0003360	CSDA Commercial Card - UMPQUA BANK	Accounts Payable	Outstanding	Bank Draft	-14,174.43
11/30/2023		DFT0003361	GUARDIAN	Accounts Payable	Outstanding	Bank Draft	-3,955.78
12/01/2023		DFT0003362	SANTA MARGARITA WATER DISTRICT	Accounts Payable	Outstanding	Bank Draft	-2,560.69
12/01/2023		DFT0003363	SOUTH COAST AQMD	Accounts Payable	Outstanding	Bank Draft	-665.26
12/01/2023		DFT0003364	VSP	Accounts Payable	Outstanding	Bank Draft	-755.03
12/04/2023		DFT0003365	ADP	Accounts Payable	Outstanding	Bank Draft	-115,455.00
12/04/2023		DFT0003366	SHRED-IT USA, LLC	Accounts Payable	Outstanding	Bank Draft	-68.00
12/04/2023		DFT0003367	CALPERS	Accounts Payable	Outstanding	Bank Draft	-59,844.01
12/04/2023		DFT0003368	PACE PAYMENT SYSTEMS, INC.	Accounts Payable	Outstanding	Bank Draft	-2,656.50
12/04/2023		DFT0003369	THE TOLL ROADS	Accounts Payable	Outstanding	Bank Draft	-140.00
12/06/2023		DFT0003370	CALPERS	Accounts Payable	Outstanding	Bank Draft	-30,247.29
12/08/2023		DFT0003371	COX COMMUNICATIONS	Accounts Payable	Outstanding	Bank Draft	-2,442.45

Bank Transaction Report

Issued Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
12/08/2023		DFT0003372	WEX FLEET UNIVERSAL	Accounts Payable	Outstanding	Bank Draft	-4,962.67
12/11/2023		DFT0003373	ADP	Accounts Payable	Outstanding	Bank Draft	-1,940.69
12/11/2023		DFT0003374	COX COMMUNICATIONS	Accounts Payable	Outstanding	Bank Draft	-1,672.23
12/11/2023		DFT0003375	PACE PAYMENT SYSTEMS, INC.	Accounts Payable	Outstanding	Bank Draft	-239.15
12/12/2023		DFT0003376	XEROX CORPORATION	Accounts Payable	Outstanding	Bank Draft	-162.41
Bank Draft Total: (40)							-492,120.85
Check							
11/13/2023		12134	SANCON TECHNOLOGIES, INC.	Accounts Payable	Outstanding	Check	-17,020.00
11/14/2023		12136	ARC	Accounts Payable	Outstanding	Check	-898.84
11/14/2023		12137	CHAMPION PAVING, INC.	Accounts Payable	Outstanding	Check	-27,077.00
11/14/2023		12138	DMC ENGINEERING	Accounts Payable	Outstanding	Check	-3,622.52
11/14/2023		12139	HIGHROAD INFORMATION TECHNOLOGY, LLC.	Accounts Payable	Outstanding	Check	-14,771.00
11/14/2023		12140	RICHARD HURTADO	Accounts Payable	Outstanding	Check	-2,425.42
11/14/2023		12141	JIG CONSULTANTS	Accounts Payable	Outstanding	Check	-7,680.00
11/14/2023		12142	BRENT MONSON	Accounts Payable	Outstanding	Check	-1,753.39
11/14/2023		12143	ORANGE COUNTY PUMPING, INC.	Accounts Payable	Outstanding	Check	-1,420.00
11/14/2023		12144	ORKIN, INC.	Accounts Payable	Outstanding	Check	-211.99
11/27/2023		12145	SWRCB ACCOUNTING OFFICE	Accounts Payable	Outstanding	Check	-60.00
11/29/2023		12146	BAVCO BACKFLOW APPARATUS & VALVE CO.	Accounts Payable	Outstanding	Check	-251.33
11/29/2023		12147	CONCENTRA	Accounts Payable	Outstanding	Check	-260.00
11/29/2023		12148	CONSUMER PIPE & SUPPLY	Accounts Payable	Outstanding	Check	-2,383.95
11/29/2023		12149	CSI SERVICES, INC.	Accounts Payable	Outstanding	Check	-920.00
11/29/2023		12150	DMC ENGINEERING	Accounts Payable	Outstanding	Check	-7,942.02
11/29/2023		12151	DMS FACILITY SERVICES	Accounts Payable	Outstanding	Check	-1,177.04
11/29/2023		12152	FEDEX	Accounts Payable	Outstanding	Check	-48.40
11/29/2023		12153	FERGUSON WATERWORKS	Accounts Payable	Outstanding	Check	-2,110.83
11/29/2023		12154	FIELDMAN, ROLAPP & ASSOC.	Accounts Payable	Outstanding	Check	-1,410.00
11/29/2023		12155	GMU GEOTECHNICAL, INC.	Accounts Payable	Outstanding	Check	-832.00
11/29/2023		12156	GRAINGER	Accounts Payable	Outstanding	Check	-759.61
11/29/2023		12157	HANSON BRIDGETT LLP	Accounts Payable	Outstanding	Check	-31,316.61
11/29/2023		12158	HAZEN & SAWYER	Accounts Payable	Outstanding	Check	-19,099.19
11/29/2023		12159	HIGHROAD INFORMATION TECHNOLOGY, LLC.	Accounts Payable	Outstanding	Check	-14,738.95
11/29/2023		12160	IB CONSULTING	Accounts Payable	Outstanding	Check	-470.00
11/29/2023		12161	INFOSEND, INC.	Accounts Payable	Outstanding	Check	-1,765.77
11/29/2023		12162	IWATER, INC.	Accounts Payable	Outstanding	Check	-550.00
11/29/2023		12163	MKN	Accounts Payable	Outstanding	Check	-5,747.40
11/29/2023		12164	NIGRO & NIGRO, PC	Accounts Payable	Outstanding	Check	-11,250.00
11/29/2023		12165	COUNTY OF ORANGE	Accounts Payable	Outstanding	Check	-1,666.64
11/29/2023		12166	ORANGE COUNTY PUMPING, INC.	Accounts Payable	Outstanding	Check	-2,130.00
11/29/2023		12167	ORKIN, INC.	Accounts Payable	Outstanding	Check	-1,150.98
11/29/2023		12168	PARK WEST LANDSCAPE MANAGEMENT	Accounts Payable	Outstanding	Check	-2,900.00
11/29/2023		12169	SANTA MARGARITA WATER DISTRICT	Accounts Payable	Outstanding	Check	-660.00

Bank Transaction Report

Issued Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
11/29/2023		12170	SCOTT EQUIPMENT	Accounts Payable	Outstanding	Check	-2,492.69
11/29/2023		12171	SIERRA ANALYTICAL	Accounts Payable	Outstanding	Check	-1,400.00
11/29/2023		12172	SOTO RESOURCES	Accounts Payable	Outstanding	Check	-6,815.00
11/29/2023		12173	SUNSET INDUSTRIAL PARTS	Accounts Payable	Outstanding	Check	-1,280.36
11/29/2023		12174	TOUCH TEL MOBILE	Accounts Payable	Outstanding	Check	-625.00
11/29/2023		12175	UNDERGROUND SERVICE ALERT/SC	Accounts Payable	Outstanding	Check	-149.66
11/29/2023		12176	UNIFIRST FIRST AID CORPORATION	Accounts Payable	Outstanding	Check	-674.30
11/29/2023		12177	URBAN WATER INSTITUTE, INC.	Accounts Payable	Outstanding	Check	-825.00
11/29/2023		12178	VAUGHAN'S INDUSTRIAL REPAIR COMPANY, INC.	Accounts Payable	Outstanding	Check	-41,460.90
11/29/2023		12179	WECK LABORATORIES	Accounts Payable	Outstanding	Check	-919.20
11/29/2023		12180	VAUGHAN'S INDUSTRIAL REPAIR COMPANY, INC.	Accounts Payable	Outstanding	Check	-41,460.90
11/29/2023		12181	WECK LABORATORIES	Accounts Payable	Outstanding	Check	-919.20
12/12/2023		12182	AT&T	Accounts Payable	Outstanding	Check	-1,018.83
12/12/2023		12183	CARTEGRAPH	Accounts Payable	Outstanding	Check	-13,001.97
12/12/2023		12184	COUNTY OF ORANGE	Accounts Payable	Outstanding	Check	-2,435.90
12/12/2023		12185	DELCO SERVICE, INC.	Accounts Payable	Outstanding	Check	-1,097.97
12/12/2023		12186	DMC ENGINEERING	Accounts Payable	Outstanding	Check	-7,744.56
12/12/2023		12187	EAGLE COMMUNICATIONS	Accounts Payable	Outstanding	Check	-2,402.75
12/12/2023		12188	FEDEX	Accounts Payable	Outstanding	Check	-26.43
12/12/2023		12189	FERGUSON WATERWORKS	Accounts Payable	Outstanding	Check	-10,750.00
12/12/2023		12190	FLEET SERVICES, INC.	Accounts Payable	Outstanding	Check	-2,004.44
12/12/2023		12191	GREENSTONE MATERIALS INC.	Accounts Payable	Outstanding	Check	-682.49
12/12/2023		12192	HANSON BRIDGETT LLP	Accounts Payable	Outstanding	Check	-28,518.00
12/12/2023		12193	HYDROTECH ELECTRIC	Accounts Payable	Outstanding	Check	-4,677.58
12/12/2023		12194	INFOSEND, INC.	Accounts Payable	Outstanding	Check	-1,469.93
12/12/2023		12195	IRVINE RANCH WATER DISTRICT	Accounts Payable	Outstanding	Check	-212,038.45
12/12/2023		12196	JIG CONSULTANTS	Accounts Payable	Outstanding	Check	-7,317.50
12/12/2023		12197	ORANGE COUNTY PUMPING, INC.	Accounts Payable	Outstanding	Check	-2,840.00
12/12/2023		12198	O'REILLY AUTOMOTIVE, INC.	Accounts Payable	Outstanding	Check	-672.34
12/12/2023		12199	ORKIN, INC.	Accounts Payable	Outstanding	Check	-831.97
12/12/2023		12200	PROJECT PARTNERS, INC.	Accounts Payable	Outstanding	Check	-24,257.50
12/12/2023		12201	Void Check	Accounts Payable	Voided	Check	0.00
12/12/2023		12202	PSOMAS	Accounts Payable	Outstanding	Check	-1,907.50
12/12/2023		12203	S & J SUPPLY COMPANY	Accounts Payable	Outstanding	Check	-6,140.68
12/12/2023		12204	SCOTT EQUIPMENT	Accounts Payable	Outstanding	Check	-317.06
12/12/2023		12205	SIERRA ANALYTICAL	Accounts Payable	Outstanding	Check	-3,696.50
12/12/2023		12206	STATE WATER RESOURCES CONTROL BOARD	Accounts Payable	Outstanding	Check	-110.00
12/12/2023		12207	SUNSET INDUSTRIAL PARTS	Accounts Payable	Outstanding	Check	-1,903.90
12/12/2023		12208	SWRCB ACCOUNTING OFFICE	Accounts Payable	Outstanding	Check	-3,746.00
12/12/2023		12209	UNITED RENTALS (NORTH AMERICA), INC.	Accounts Payable	Outstanding	Check	-1,003.16
12/12/2023		12210	USA BLUEBOOK	Accounts Payable	Outstanding	Check	-1,480.42
12/12/2023		12211	VAUGHAN'S INDUSTRIAL REPAIR COMPANY, INC.	Accounts Payable	Outstanding	Check	-8,058.50
12/12/2023		12212	WECK LABORATORIES	Accounts Payable	Outstanding	Check	-274.70

Bank Transaction Report

Issued Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
12/12/2023		12213	WIENHOFF DRUG TESTING	Accounts Payable	Outstanding	Check	-935.00
Check Total: (79)							-640,865.12
Check Reversal							
11/29/2023		12178	VAUGHAN'S INDUSTRIAL REPAIR COMPANY, INC. Reversal	Accounts Payable	Outstanding	Check Reversal	41,460.90
11/29/2023		12179	WECK LABORATORIES Reversal	Accounts Payable	Outstanding	Check Reversal	919.20
Check Reversal Total: (2)							42,380.10
EFT							
11/08/2023		432	ACWA JPIA - WC, PROP., & LIAB	Accounts Payable	Outstanding	EFT	-90,119.00
11/08/2023		433	ACWA JPIA - LIFE	Accounts Payable	Outstanding	EFT	-484.49
11/08/2023		434	AMAZON	Accounts Payable	Outstanding	EFT	-312.03
11/08/2023		435	EVANS-HYDRO, INC.	Accounts Payable	Outstanding	EFT	-11,191.91
11/08/2023		436	MWDOC	Accounts Payable	Outstanding	EFT	-82,837.88
11/08/2023		437	OLIN CHEMICALS	Accounts Payable	Outstanding	EFT	-6,432.59
11/08/2023		438	PONTON INDUSTRIES, INC.	Accounts Payable	Outstanding	EFT	-3,931.40
11/08/2023		439	UNIFIRST CORPORATION	Accounts Payable	Outstanding	EFT	-549.63
11/08/2023		440	UNITED WATER WORKS, INC.	Accounts Payable	Outstanding	EFT	-145.46
12/01/2023		441	AMAZON	Accounts Payable	Outstanding	EFT	-2,984.99
12/01/2023		442	HERC RENTALS	Accounts Payable	Outstanding	EFT	-1,903.03
12/01/2023		443	OLIN CHEMICALS	Accounts Payable	Outstanding	EFT	-9,493.62
12/01/2023		444	PEBBLE SPRING WATER	Accounts Payable	Outstanding	EFT	-83.00
12/01/2023		445	ROCKSPARK INC.	Accounts Payable	Outstanding	EFT	-3,978.75
12/01/2023		446	TESCO CONTROLS, INC.	Accounts Payable	Outstanding	EFT	-5,444.55
12/01/2023		447	ALS - TRUESDAIL LABORATORIES	Accounts Payable	Outstanding	EFT	-4,320.00
12/01/2023		448	UNIFIRST CORPORATION	Accounts Payable	Outstanding	EFT	-302.89
EFT Total: (17)							-224,515.22
Accounts Payable Total: (138)							-1,315,121.09
Utility Billing							
Check							
11/13/2023		12135	ERLINDA MANGUNE	Utility Billing	Outstanding	Check	-132.36
Check Total: (1)							-132.36
Utility Billing Total: (1)							-132.36
Report Total: (139)							-1,315,253.45

Summary

Bank Account	Count	Amount
030866939 Bank of the West Checking	139	-1,315,253.45
Report Total:	139	-1,315,253.45

Cash Account	Count	Amount
No Cash Account	1	0.00
99 99-000-1004 Bank of the West Checking (Pooled Cash)	138	-1,315,253.45
Report Total:	139	-1,315,253.45

Transaction Type	Count	Amount
Bank Draft	40	-492,120.85
Check	80	-640,997.48
Check Reversal	2	42,380.10
EFT	17	-224,515.22
Report Total:	139	-1,315,253.45



Warrant Registry
Trabuco Canyon Water District
County of Orange
State of California

GENERAL FUND PAYROLL WARRANT REGISTER

For the Month of: December 2023

\$ 255,918.15

I hereby certify that the claims or demands covered by the above listed warrants have been audited as to accuracy and the availability of funds for payment thereof; and that the said claims or demands are accurate and that the funds are available.

This is to certify that claims or demands covered by the above listed warrants have been audited by the Finance/Audit Committee of the Trabuco Canyon Water District and that all of the said warrants are approved for payment.


General Manager / Assistant General Manager

By  1-11-24
Date

 1/11/24
By Date

Net Pay	<u>Checks</u>					.00
	<u>Direct Deposits</u>					84,163.26
	Subtotal Net Pay					84,163.26
	<u>Adjustments</u>					4,324.73
	Total Net Pay Liability (Net Cash)					88,487.99
Taxes						
		You are responsible for		Amount debited		
		<u>Depositing these amounts</u>		<u>from your account</u>		
Federal	Agency	Rate	EE withheld	ER contrib.	EE withheld	ER contrib.
	<u>Federal Income Tax</u>				17,559.74	
	<u>Earned Income Credit Advances</u>					
	<u>Social Security</u>				4,118.58	4,118.60
	<u>Medicare</u>				1,910.76	1,910.78
	<u>Medicare Surtax</u>				306.08	
	<u>Federal Unemployment Tax</u>					
	<u>Subtotal Federal</u>		23,895.16	6,029.38		29,924.54
	<u>FMLA-PSL Payments Credit</u>					
	<u>FMLA-PSL ER FICA Credit</u>					
	<u>FMLA-PSL Health Care Premium Credit</u>					
	<u>Employee Retention Qualified Payments Cre</u>					
	<u>Employee Retention Qualified Health Care</u>					
	<u>Cobra Premium Assistance Payments</u>					
	<u>Total Federal</u>		23,895.16	6,029.38		29,924.54
State	<u>CA State Income Tax</u>				7,402.81	
	<u>CA State Unemployment Insurance-ER 3000</u>					4.68
	<u>CA State Disability Insurance-EE</u>				540.00	
	<u>Subtotal CA</u>		7,942.81	4.68		7,947.49
	<u>Total Taxes</u>		.00	.00	31,837.97	6,034.06
	<u>Amount ADP Debited From AccountXXXX6939</u>					37,872.03
			Tran/ABA XXXXXXXXX			Excludes Taxes That Are Your Responsibility
Other	<u>ADP Direct Deposit</u>				84,163.26	25 Employee Transactions
	<u>Transfers Amount ADP Debited From AccountXXXX6939</u>					84,163.26
			Tran/ABA XXXXXXXXX			
	<u>Total Amount ADP Debited From Your Accounts</u>					122,035.29



Statistical Summary Detail

TRABUCO CANYON WATER

Region Name : GKN
Company Code : ADP RESOURCE

Batch : 3828
Quarter Number : 4
Service Center: 580

Period Ending : 12/15/2023
Pay Date : 12/20/2023
Current Date : 12/18/2023

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Page 2

Net Pay	<u>Checks</u>					339.69	
	<u>Direct Deposits</u>					82,542.93	
	Subtotal Net Pay						82,882.62
	<u>Adjustments</u>					.00	
	Total Net Pay Liability (Net Cash)						82,882.62
Taxes							
		You are responsible for		Amount debited			
		<u>Depositing these amounts</u>		<u>from your account</u>			
Federal	Agency	Rate	EE withheld	ER contrib.	EE withheld	ER contrib.	
	<u>Federal Income Tax</u>				18,899.33		
	<u>Earned Income Credit Advances</u>						
	<u>Social Security</u>				8,237.10	8,237.09	
	<u>Medicare</u>				1,926.42	1,926.42	
	<u>Medicare Surtax</u>						
	<u>Federal Unemployment Tax</u>						
	Subtotal Federal		29,062.85	10,163.51			39,226.36
	<u>FMLA-PSL Payments Credit</u>						
	<u>FMLA-PSL ER FICA Credit</u>						
	<u>FMLA-PSL Health Care Premium Credit</u>						
	<u>Employee Retention Qualified Payments Cre</u>						
	<u>Employee Retention Qualified Health Care</u>						
	<u>Cobra Premium Assistance Payments</u>						
	Total Federal		29,062.85	10,163.51			39,226.36
State	<u>CA State Income Tax</u>				7,726.19		
	<u>CA State Unemployment Insurance-ER 3000</u>					2,624.80	
	<u>CA State Disability Insurance-EE</u>				1,422.89		
	Subtotal CA				9,149.08	2,624.80	11,773.88
	Total Taxes		.00	.00	38,211.93	12,788.31	51,000.24
	Amount ADP Debited From AccountXXXX6939		Tran/ABA XXXXXXXXXX				51,000.24 Excludes Taxes That Are Your Responsibility
Other	<u>ADP Direct Deposit</u>				82,542.93		28 Employee Transactions
Transfers	<u>ADP Check</u>				339.69		
	Amount ADP Debited From AccountXXXX6939		Tran/ABA XXXXXXXXXX				82,882.62
Total Amount ADP Debited From Your Accounts							133,882.86



Statistical Summary Detail

TRABUCO CANYON WATER

Region Name : GKN
Company Code : ADP RESOURCE

Batch : 4918
Quarter Number : 1
Service Center: 580

Period Ending : 12/31/2023
Pay Date : 01/05/2024
Current Date : 01/02/2024

Week 01
Page 2

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | JANUARY 18, 2024**

ACTION CALENDAR

ADMINISTRATIVE MATTERS

ITEM 3: RATIFICATION OF DIRECTORS' FEES AND EXPENSES, AND TENTATIVE FUTURE MEETINGS/ATTENDANCE

FEES AND EXPENSES

Consistent with Board policy, Directors are reimbursed for expenses incurred while serving in their capacity as Directors. Additionally, Directors earn a per diem stipend for attendance at meetings or functions in a Director capacity. Per Ordinance No. 91-15 (adopted July 17, 1991), Directors per diem amount is limited to \$125 per meeting for a maximum of ten days per calendar month. The attached spreadsheet provides a recap of the meetings, seminars, conferences attended by Directors along with expenses recorded to date.

TENTATIVE FUTURE MEETINGS

The attached spreadsheet provides a schedule of the tentative future meetings and attendance items.

FUNDING SOURCE:

General Fund

FISCAL IMPACT

FY 2023-24 Budgeted Board Expenses: \$45,000

COMMITTEE STATUS:

This matter was reviewed with the Finance/Audit Committee.

RECOMMENDED ACTION:

Approve the tentative future meetings/attendance items and ratify the Directors' expenses and fees from the following period(s):

1. *December 2023*

EXHIBITS:

1. Directors Fees and Expenses Monthly Report for December 2023
2. Directors Future/Tentative Meeting/Attendance Schedule for Calendar Year 2024

CONTACTS (staff responsible): PALUDI/PEREA

TRABUCO CANYON WATER DISTRICT
DIRECTORS' FEES AND EXPENSES MONTHLY REPORT | DECEMBER 2023

MEETING DESCRIPTION	ACOSTA	CHADD	DOPUDJA	MANDICH	SAFRANSKI
DISTRICT MEETINGS					
District Properties Committee Meeting			12/04/23	12/04/23	
Engineering/Operational Committee Meeting		12/06/24			
Energy Efficiency Ad Hoc Committee				12/14/23	12/14/23
Executive Committee Meeting			12/04/23	12/04/23	
Finance/Audit Committee Meeting	12/14/23	12/14/23			
Individual Meeting with General Manager	12/19/23	12/19/23	12/19/23	12/20/23	12/19/23
Meeting with General Manager	12/05/23				
Regular Board Meeting	12/21/23	12/21/23	12/21/23	12/21/23	12/21/23
REPRESENTATIVE MEETINGS					
Community Associations of Rancho (CAR) Meeting		12/05/23			
City of Rancho Santa Margarita - City Council Meeting					12/13/23
City of Rancho Santa Margarita - Planning Commission Meeting					
Independent Special Districts of Orange County (ISDOC) Monthly Meeting				12/05/23	
MWDOC Board Meeting	12/20/23				
MWDOC Workshop - Pure Water SoCal Cost Recovery	12/06/23				
OC LAFCO Regular Meeting					
Santiago Aqueduct Commission Meeting		12/14/23			
South OC Integrated Regional Watershed Management Area (IRWM) Executive Committee					
Water Advisory Commission of Orange County (WACO)	12/08/23				
NUMBER OF MEETINGS ATTENDED	7	5	3	5	4
PER DIEMS (\$125 per each meeting*)	\$875.00	\$625.00	\$375.00	\$625.00	\$500.00
DIRECT REIMBURSABLE EXPENSES					
DIRECT REIMBURSABLE EXPENSES TOTALS					
INDIRECT REIMBURSABLE EXPENSES					
INDIRECT REIMBURSABLE EXPENSES TOTALS					
TOTAL (PER DIEMS + DIRECT REIMBURSABLE EXPENSES)	\$875.00	\$625.00	\$375.00	\$625.00	\$500.00
<i>* Maximum per diem per day is one; maximum per diems per month is 10</i>					

DIRECTOR SIGNATURE _____

TRABUCO CANYON WATER DISTRICT | 2024 PUBLIC MEETING AND CONFERENCE CALENDAR

2024													
LINE ITEM	MEETING DESCRIPTION	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
DISTRICT PUBLIC MEETINGS													
1	Executive Committee Meeting	01/08/24	02/05/24	03/04/24	04/01/24	05/06/24	06/03/24	07/01/24	08/05/24	09/02/24	10/07/24	11/04/24	12/02/24
2	Engineering/Operational Committee Meeting	01/03/24	02/07/24	03/06/24	04/03/24	05/01/24	06/05/24	07/03/24	08/07/24	09/04/24	10/02/24	11/06/24	12/04/24
3	Finance/Audit Committee Meeting	01/11/24	02/08/24	03/07/24	04/11/24	05/09/24	06/13/24	07/11/24	08/08/24	09/12/24	10/10/24	11/14/24	12/12/24
4	Regular Board Meeting	01/18/24	02/15/24	03/14/24	04/18/24	05/16/24	06/20/24	07/18/24	08/15/24	09/19/24	10/17/24	11/21/24	12/19/24
5	District Properties Ad Hoc Committee Meeting	-	-	-	-	-	-	-	-	-	-	-	-
PUBLIC MEETINGS													
6	City of RSM City Council Meeting - Meeting No. 1	01/09/24	02/13/24	03/12/24	04/09/24	05/14/24	06/11/24	07/09/24	08/13/24	09/10/24	10/08/24	11/12/24	12/10/24
7	City of RSM City Council Meeting - Meeting No. 2	01/23/24	02/24/24	03/26/24	04/23/24	05/28/24	06/25/24	07/23/24	08/27/24	09/24/24	10/22/24	11/26/24	12/24/24
8	City of RSM Planning Commission Meeting	01/03/24	02/07/24	03/06/24	04/03/24	05/01/24	06/05/24	07/03/24	08/07/24	09/04/24	10/02/24	11/06/24	12/04/24
9	Independent Special Districts of Orange County Meeting - Executive	01/02/24	02/06/24	03/05/24	04/02/24	05/14/24	06/04/24	07/02/24	08/06/24	09/03/24	10/01/24	11/05/24	12/10/24
10	Independent Special Districts of Orange County Meeting - Quarterly	01/25/24	-	-	04/25/24	-	-	07/25/24	-	-	10/31/24	-	-
11	Orange County Local Agency Formation Commission (OC LAFCO)	01/10/24	02/14/24	03/13/24	04/10/24	05/08/24	06/12/24	07/10/24	08/14/24	09/11/24	10/09/24	11/13/24	12/11/24
12	Municipal Water District of Orange County (MWDOC) Board Meeting	01/17/24	02/21/24	03/20/24	04/17/24	05/15/24	06/19/24	07/17/24	08/21/24	09/18/24	10/16/24	11/20/24	12/18/24
13	Santiago Aqueduct Commission Meeting	-	-	03/21/24	-	-	06/20/24	-	-	09/19/24	-	-	12/12/24
14	Quarterly South Orange County Integrated Regional Watershed Management Executive Committee												
15	Monthly South Orange County Integrated Regional Watershed Management Executive Committee												
16	South Orange County Water Agencies Group Meeting*	01/23/24	-	03/26/24	-	05/28/24	-	07/23/24	-	09/23/24	-	11/25/24	-
18	Water Advisory Committee of Orange County	01/05/24	02/02/24	03/01/24	04/05/24	05/03/24	06/07/24	07/12/24	08/02/24	09/06/24	10/04/24	11/01/24	12/13/24
CONFERENCES													
19	ACWA Spring Conference - Sacramento, CA					05/07-05/09							
20	ACWA Fall Conference - Palm Desert, CA												12/03-12/05
21	CSDA Annual Conference -Indian Wells, CA									09/09-09/12			
22	CSDA GM Leadership Summit - Anaheim, CA						06/23-06/25						
24	CSDA SDLA Conference - San Diego, CA				04/14-04/17								
25	Colorado River Water User’s Association (CRWUA) Annual Conference – Las Vegas, NV												12/04-12/06
23	Urban Water Institute (UWI) Annual Conference - Palm Springs, CA		02/21-02/23										

LEGEND

District Observed Holiday - Reschedule Meeting

**4th Tuesday of the Odd Numbered Month*

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | JANUARY 18, 2024**

ACTION CALENDAR

ADMINISTRATIVE MATTERS

ITEM 4: DISTRICT ENERGY EFFICIENCY AD HOC COMMITTEE UPDATE

At the August 17, 2023 Regular Board Meeting, the Board of Directors established the Energy Efficiency Ad Hoc Committee for the purpose of formalizing actions of the District by setting up an energy program to promote and identify and energy savings. The Committee has met with District staff to develop a proposed energy program and focus on specific areas of District energy demands to realize savings. The Committee will deliver a presentation to the Board on actions taken to date at the time of the meeting. More information may be presented at the time of the meeting.

FISCAL IMPACT

None at this time.

ENVIRONMENTAL COMPLIANCE:

Not applicable

COMMITTEE STATUS:

This matter was reviewed with the Energy Efficiency Ad Hoc Committee

RECOMMENDED ACTIONS:

Receive information and presentation at the time of the meeting.

EXHIBIT(S):

None

CONTACTS (staff responsible): PALUDI/PEREA

TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | JANUARY 18, 2024

ACTION CALENDAR

ADMINISTRATIVE MATTERS

ITEM 5: DISCUSSION AND POSSIBLE ACTION(S) RELATED TO CALENDAR YEAR 2024 BOARD MEMBER COMMITTEE APPOINTMENTS AND AGENCY REPRESENTATIVE ASSIGNMENTS

The District's Annual Organizational Meeting is held for the purpose of determining Committee Member and Agency Representative assignments by the President of the Board of Directors.

A list of the current Committee Members and Agency Representatives has been included for Board review and consideration. If Directors have a preference to serve on specific Committees or as an Agency Representative, they should communicate with the General Manager. A current list of preferences will be provided to the President of the Board of Directors at the time of the Regular Board Meeting, if any.

FUNDING SOURCE:

General Fund

FISCAL IMPACT:

FY 2023-24 Budgeted Board Expenses: \$45,000

Directors receive \$125.00 per diem, not to exceed ten (10) per diems per month, for meetings approved by the Board.

RECOMMENDED ACTIONS:

Board President to appoint Board Members and District staff to District committee(s) and make other agency representative assignments pursuant to District Policy and District Rules and Regulations Section 2.4.1.

EXHIBIT(S):

1. Board Member Committee Appointments and Agency Representative Assignments, Calendar Year 2023

CONTACTS (staff responsible): PALUDI/PEREA

TRABUCO CANYON WATER DISTRICT

BOARD MEMBER COMMITTEE APPOINTMENTS & AGENCY REPRESENTATIVE ASSIGNMENTS | CY 2023

STANDING COMMITTEES		CHAIR	MEMBER	ALTERNATE	
Executive Committee (First Monday of the Month – 5:00 p.m.)		Vice President	President	N/A	
Engineering/Operational Committee (First Wednesday of the Month – 7:00 a.m.)		Safranski	Dopudja	Chadd	
Finance/Audit Committee (Second Thursday of the Month – 1:00 p.m.)		Chadd	Acosta	Mandich	
District Properties Committee		Mandich	Dopudja	Chadd	
AD HOC COMMITTEES		CHAIR	MEMBER	ALTERNATE	
Paloma Square Project Ad Hoc Committee (advisory to the GM; not founded by the Board)		Chadd	Safranski	Dopudja	
MEMBER AGENCY REPRESENTATIVE ASSIGNMENTS		TITLE	PRIMARY	SECONDARY	THIRD
Association of California Water Agencies (ACWA)	Director	Acosta	Safranski	Chadd	
ACWA Joint Powers Insurance Authority	Delegate	Safranski	Acosta	Paludi	
Baker Water Treatment Plant Project Committee	Member	Paludi	Dopudja	Perea	
California Special Districts Association (CSDA)	Delegate	Acosta	Dopudja	Chadd	
Independent Special Districts of Orange County (ISDOC)	Member	Mandich	Dopudja	Chadd	
Santiago Aqueduct Commission (SAC)	Commissioner	Chadd	Mandich	Paludi	
South Orange County Wastewater Authority (SOCWA) Board	Director	Dopudja	Acosta	Paludi	
SOCWA Engineering Committee	Staff	Lausten	Paludi	N/A	
South Orange County Agencies Group	Liaison	Safranski	Mandich	Paludi	
South OC Integrated Regional Watershed Management Area Executive Committee	Member	Mandich	Chadd	Acosta	
ORGANIZATION REPRESENTATIVE ASSIGNMENTS		TITLE	PRIMARY	SECONDARY	THIRD
American Water Works Association (AWWA)	Liaison	Paludi	Perea	Lausten	
Community Associations of Rancho (CAR) Meeting	Liaison	Mandich	Safranski	Perea	
City of Santa Margarita City Council Meeting No. 1	Liaison	Safranski	Mandich	Perea	
City of Santa Margarita City Council Meeting No. 2	Liaison	Mandich	Safranski	Perea	
City of Santa Margarita Planning Commission Meeting	Liaison	Acosta	Mandich	Perea	
Orange County Local Agency Formation Commission (OC LAFCO)	Liaison	Mandich	Paludi	Perea	
Municipal Water District of Orange County (MWDOC) Board	Liaison	Acosta	Dopudja	Paludi	
Water Advisory Committee of Orange County (WACO)	Member	Acosta	Chadd	Paludi	

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | JANUARY 18, 2024**

ACTION CALENDAR

ADMINISTRATIVE MATTERS

ITEM 6: RECAP OF DISTRICT PROPERTIES COMMITTEE DISCUSSION

Trabuco Canyon Water District (District) owns certain facilities and real property within and outside of its service area for District-related purposes and uses. At the December 21, 2023 Regular Board Meeting, the Board of Directors (Board) discussed an agenda item pertaining to the potential uses of District property consistent with the Surplus Land Act, the California law which establishes requirements for public agencies intending to sell or lease surplus property.

As directed by the Board as part of December 21st discussion, the District Properties Committee met on January 8, 2024 to review any real property owned by the District that can potentially be classified as surplus land as defined under the California government code. Staff will provide a summary of the District Properties Committee discussion to the Board at the January 18 meeting.

FISCAL IMPACT

None at this time.

ENVIRONMENTAL COMPLIANCE:

Not applicable

COMMITTEE STATUS:

This matter was discussed with the District Properties Committee.

RECOMMENDED ACTIONS:

Receive information at the time of the meeting. No action required.

EXHIBIT(S):

None

CONTACTS (staff responsible): PALUDI/PEREA/COLLINS

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | JANUARY 18, 2024**

**ACTION CALENDAR
FINANCIAL MATTERS**

ITEM 7: PRESENTATION OF TRABUCO CANYON WATER DISTRICT'S FISCAL YEAR 2022-23 ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

Trabuco Canyon Water District's (District) independent auditor Nigro & Nigro LLP, with the assistance of the District Treasurer and District staff, has completed the annual audit of the District's financial statements for the Fiscal Year (FY) ended June 30, 2023. As stated in its report, Nigro & Nigro concluded that in all material aspects, the statements fairly present the District's financial position as of June 30, 2023, and conform with generally accepted accounting principles.

This is the second year that the District will present its audited financials within an Annual Comprehensive Financial Report (ACFR). For its FYE 2022 ACFR, the District has been awarded a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA). The ACFR, which reports on both FYE 2023 and 2022, includes an Introductory Section, audited financial statements, accompanying auditor's report, Management's Discussion and Analysis, and Statistical Section and is prepared in accordance with generally accepted auditing standards. Because an ACFR often contains ten consecutive years of financial and statistical information, the report can provide a broader perspective of an agency's financial performance. The ACFR has been prepared by District staff with the guidance and assistance of District Treasurer Cindy Byerrum and Eide Bailly.

The ACFR highlights will be presented to the Board of Directors by Mr. Paul Kaymark (Nigro & Nigro LLP) and additional information regarding the financial audit process may be provided at the time of the meeting.

FUNDING SOURCE:

General Fund

FISCAL IMPACT

The District's contract with Nigro & Nigro LLP for independent auditing services for a three-year period (beginning FYE 2021) is for a total not-to-exceed amount of \$61,500.

ENVIRONMENTAL COMPLIANCE:

Not applicable

COMMITTEE STATUS:

This matter was reviewed with the Finance/Audit Committee.

RECOMMENDED ACTIONS:

Receive presentation of the Trabuco Canyon Water District Fiscal Year 2022-23 Annual Comprehensive Financial Report (ACFR) and file said report.

EXHIBIT(S):

1. TCWD Annual Comprehensive Financial Report for Fiscal Year Ended June 30, 2023.

CONTACTS (staff responsible): PALUDI/PEREA/WARNER



Trabuco Canyon Water District
Trabuco Canyon, California

Annual Comprehensive Financial Report

For the Fiscal Years Ended June 30, 2023 and 2022





Trabuco Canyon Water District

Annual Comprehensive Financial Report For the Fiscal Years Ended June 30, 2023 and 2022

**Trabuco Canyon Water District
32003 Dove Canyon Drive
Trabuco Canyon, California 92679**

**Prepared by:
Administrative Services Division**



Mission Statement

“The Trabuco Canyon Water District’s purpose as a public service agency is to provide service to our customers which instills trust regarding the quality and quantity of the water supply, reliable service for collection, treatment, and reuse of wastewater, a work environment where safety and health of employees and customers is our paramount concern, information to our customers to foster and maintain a well-informed community and cost effective and efficient services in a courteous manner.”

Board of Directors

Stephen Dopudja, President

Edward Mandich, Vice-President

Glenn Acosta, Director

Donald Chadd, Director

Michael Safranski, Director

District Management

Fernando Paludi, General Manager

Michael Perea, Assistant General Manager

Cindy Byerrum, District Treasurer

Trabuco Canyon Water District is a public agency serving portions of the cities of Rancho Santa Margarita, Mission Viejo, Lake Forest, and unincorporated Orange County.

TRABUCO CANYON WATER DISTRICT
For the Fiscal Years Ended June 30, 2023 and 2022
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Introductory Section

STAFF MEMBERS

Fernando Paludi, General Manager
Michael Perea, District Secretary
Cindy Byerrum, District Treasurer
Hanson Bridgett, LLP, Legal
Counsel



BOARD OF DIRECTORS

Stephen Dopudja, President
Edward Mandich, Vice President
Glenn Acosta, Director
Don Chadd, Director
Michael Safranski, Director

To the Honorable Board of Directors of the Trabuco Canyon Water District and Members of the Community

It is my pleasure to submit the Trabuco Canyon Water District's (District) Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023 (FY 2023). The financial statements are presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited with generally accepted auditing standards.

The District is ultimately responsible for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures in this financial report. I believe that the data presented is accurate in all material respects. This report is designed in a manner that helps to enhance the understanding of the District's financial position and activities. The management of the District has established an internal controls framework that is designed to protect the District's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP.

The District's financial statements have been audited by Nigro and Nigro, PC, a firm of certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2023 are free of material misstatement. The independent audit involved examining, on a test basis, the evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Based upon the audit, the independent auditors concluded that there was reasonable basis for rendering an unmodified opinion which states that the District's financial statements for the fiscal year ended June 30, 2023 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the Financial Section of this report.

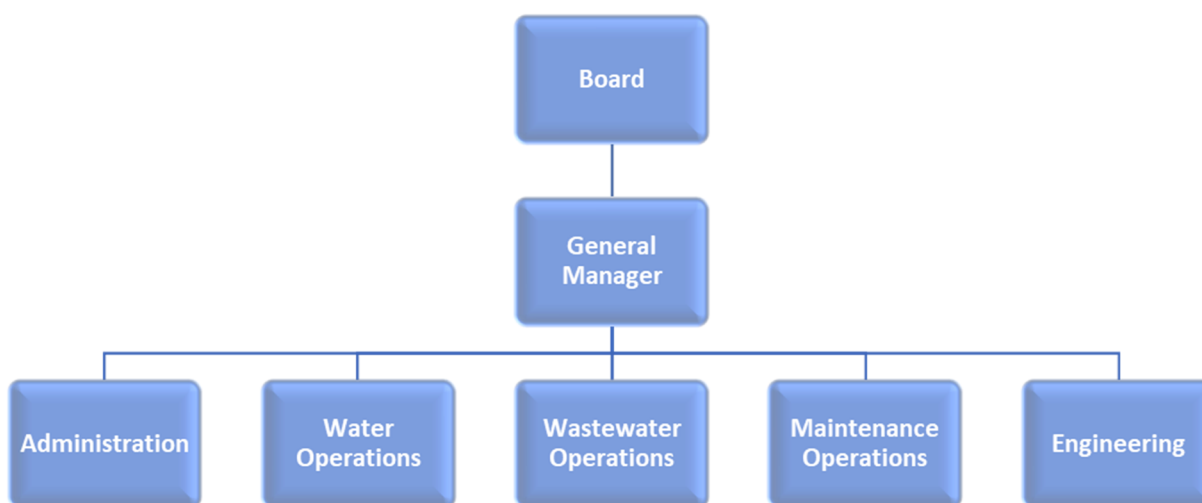
GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the financial statements in the form of a Management's Discussion and Analysis (MD&A) section. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the Independent Auditor's Report.

This report is organized into three sections: (1) Introductory, (2) Financial, and (3) Statistical. The Introductory section offers general information about the District's organizational structure and water and sewer systems, the economic environment, as well as the District's major initiatives and accomplishments. The Financial section includes the Independent Auditor's Report, Management's Discussion and Analysis, and the financial statements with accompanying notes including required supplementary reports. The supplementary reports segment contains selected financial information in greater detail than presented in the financial statements in accordance with the District's internal fund structure. The Statistical section includes additional tables of unaudited data depicting select information about the District.

District Organizational Structure and Leadership

The Trabuco Canyon Water District is a county water district organized in 1962 and existing pursuant to California Water Code Sections 30000 (the County Water District Law) and other applicable provisions of State law. The District serves portions of the cities of Rancho Santa Margarita, Mission Viejo, Lake Forest, and unincorporated Orange County. The District is governed by a five-member publicly elected Board of Directors. The District's Board of Directors meets on the third Thursday of each month and the public is encouraged to attend.

The General Manager administers the day-to-day operations of the District in accordance with policies established by the Board of Directors. The District employs 21 regular employees organized in five departments: Administration, Engineering, Water Operations, Wastewater Operations, and Maintenance Operations as presented below.

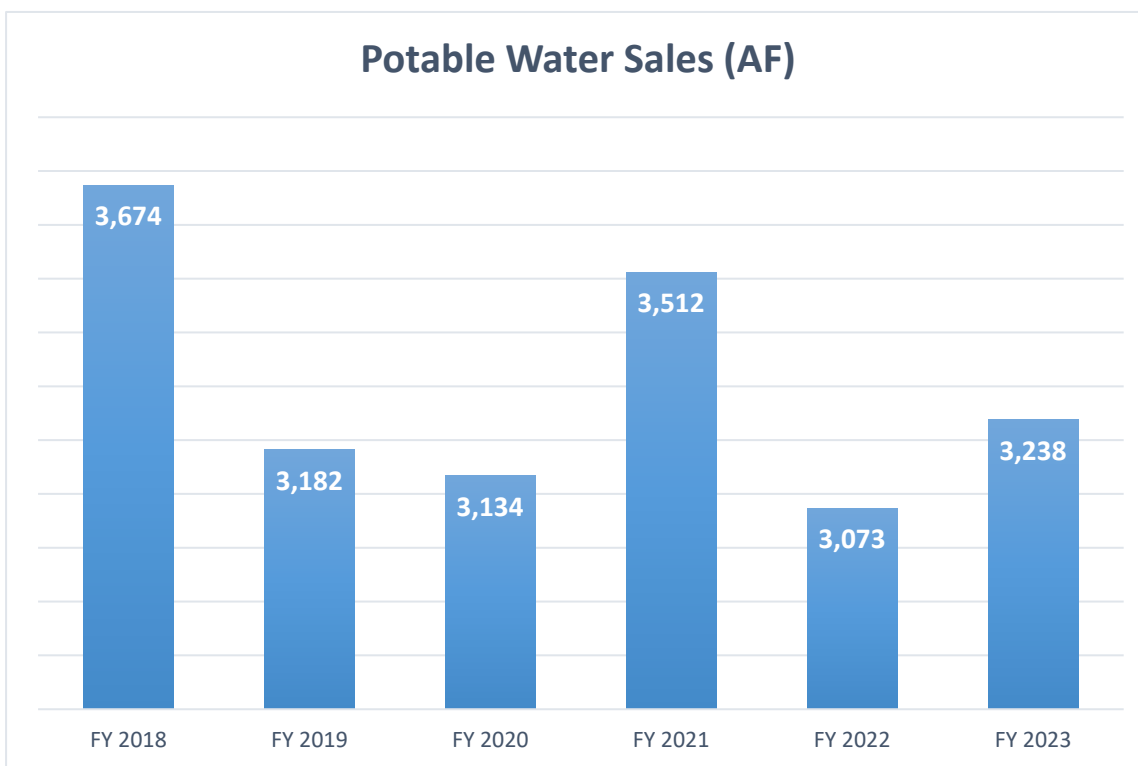


District Services

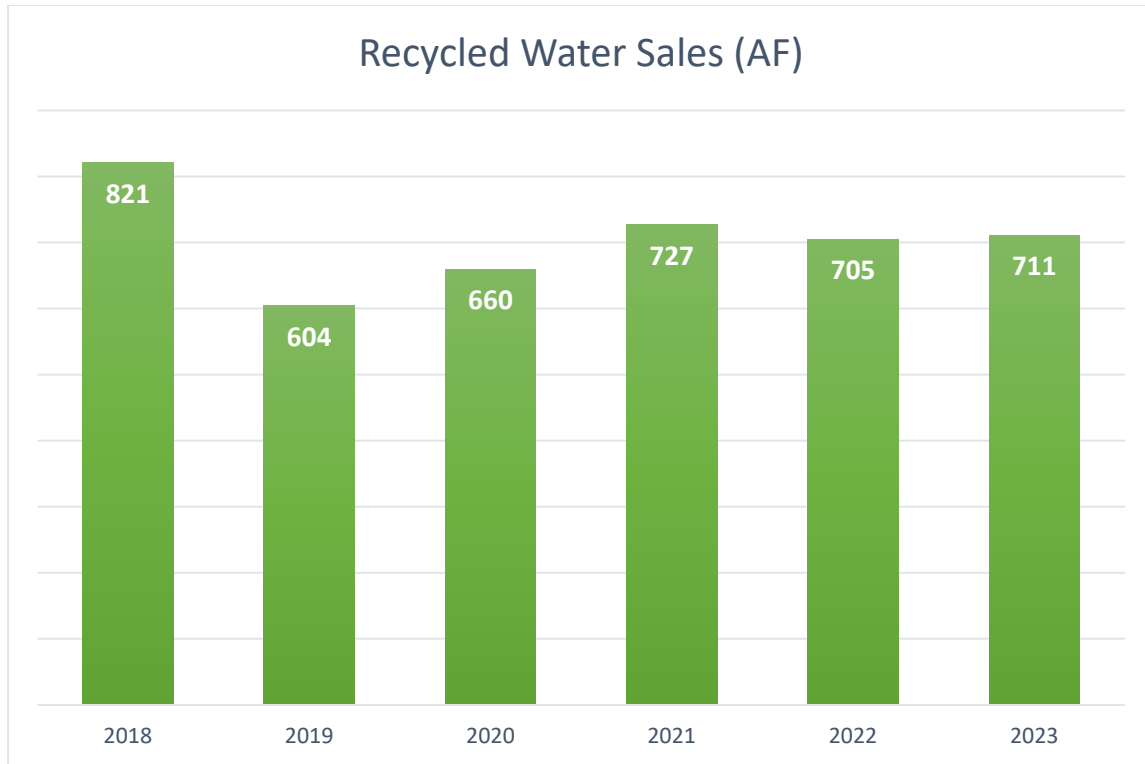
The District is relatively small but complex in operations with a diversified portfolio of water resource management solutions and practices for the customers in its service area. In addition to the provision of safe drinking water, the District manages the sanitary sewer system in the master planned communities east of Plano Trabuco Road and is committed to water recycling and urban runoff capture and reuse to help meet commercial irrigation demand.

Residential customers represent approximately 96% of the District's potable water customer accounts and consume approximately 72% of the potable water produced annually by the District. The District currently operates a drinking water filtration plant and two groundwater wells with a combined production capacity of 900 gallons per minute. Additionally, the District is the permitted distributor of recycled water from the Robinson Ranch Wastewater Treatment Plant. The number of District potable water connections increased by 21 in FY 2023.

The District's annual water-related revenues are predominantly variable and correlated to the volume of water sold to homes, business, and other users. Sales of potable or drinking water for indoor and outdoor use, including landscape irrigation, comprise nearly two-thirds of all revenue from customer charges. After dropping significantly in FY 2019, water sales have increased during the recent cycle of hot, dry climate. For FY 2023, water sales are projected to decrease 1% in response to drought awareness and corresponding conservation efforts.



The District beneficially reuses 100% of the sewage or wastewater collected within its service territory, east of Plano Trabuco Road. This “recycled water” produced at the Robinson Ranch Wastewater Treatment Plant is augmented by natural urban runoff captured through a network of basins and Dove Canyon Lake and used for landscape irrigation by several Homeowners Associations (HOAs). Recycled water represents 100% conservation of potable or drinking water supplies, which would otherwise be used for irrigation purposes. Recycled water supplies are limited and carefully managed by District operations personnel to maximize its benefit. Similar to demand for potable water, demand for recycled water reached a low point in FY 2019 but increased in FY 2020 and has remained steady through FY 2023. Demand is projected to decrease to 700 acre-feet during the budget year in recognition of anticipated wet hydrology locally that will dampen demand for irrigation water.



Water Use Efficiency Programs

The District is committed to promoting and supporting efficient water use by its customers and demonstrates this commitment by reducing water waste, providing ongoing education and awareness of available financial incentives, and performing water use consultations. During 2023, the District completed the service area-wide installation of smart water meters and launched the on-line consumption data access portal for all residential customers to monitor their water use in near-real time. This water consumption awareness and early leak-detection capability has been proven to increase water use efficiency and conservation.

Local Economic Condition and Outlook

The District continues to be impacted by price inflation and global supply chain disruptions that since FY 2022 have delayed equipment procurement and driven up the cost of labor, materials, and equipment for District operating and capital projects. These cost increases were not anticipated when the District's previous rate study was undertaken and a five-year schedule of rates and charges were implemented in January 2021.

Also during FY 2023, the District completed a comprehensive condition assessment of its water and sewer infrastructure, resulting in the prioritization of the most critical repair and replacement projects to be addressed through the Capital Improvement Program over the next ten years.

Like most other water and sewer utilities in Orange County, the District's Board of Directors was forced to address the post-pandemic economic challenges through a new financial plan and rate study initiated in FY 2023. The new rate study also incorporated the planned Capital Improvement Program expenditures resulting from the asset condition assessment in order to maintain the continued safety and reliability of TCWD's water and sewer services. The rates and charges from the

new rate study became effective July 1, 2023 with subsequent adjustments planned for each July 1 thereafter through FY 2028.

Major Planned Initiatives and Significant Projects

During FY 2024, the District expects to complete several important capital projects intended to modernize operations, refurbish and replace capital assets, and improve customer service:

- Complete final phase of the District's Supervisory Control and Data Acquisition (SCADA) System upgrade - a three-year, \$3 million project to improve communication, security, and data management throughout the water, wastewater, and recycled water distribution systems.
- Award a \$2.0 million construction contract for the final phase of improvements to Golf Club Sewer Lift Station. Located within the Dove Canyon community, Golf Club SLS plays a critical role in pumping sewer flows received from two other stations nearly 300 ft in elevation to the Robinson Ranch Wastewater Treatment Plant (RRWWTP). When complete, the District will have invested over \$3 million in modernizing this facility for the next generation.
- Award an engineering design contract for the replacement of over one mile of potable water pipeline main within Live Oak Canyon Road between Cooks Corner and the District's reservoir tanks at Harris Grade. The total project cost including construction is estimated to be \$2.5 million.
- Construction of several improvements within the RRWWTP, including replacement of large blowers that provide aeration for the wastewater treatment process, and the installation of new SCADA panels at several locations connected with a fiber optic network. This work is estimated to cost approximately \$1 million combined.
- Develop a Meter Downsizing Program to assist eligible single family residential customers with replacing existing water meters with smaller meters more appropriately sized to serve their property. Participating customers will reduce their monthly fixed charge obligations to the District for water service.
- Conduct a public tour of District facilities for customers to better understand water and sewer services and how ratepayer dollars are applied to infrastructure improvement projects.
- Complete two federal grant applications to the U.S. Bureau of Reclamation for District capital improvement projects. If awarded, combined grant proceeds could offset District costs by as much as \$1 million.
- Issue new debt to convert existing short-term credit line into long-term debt that will also provide additional proceeds during the current five-year rate schedule to fund capital expenses until rate revenue is sufficient on a "pay-go" basis.

FY 2023 Accomplishments

Notable accomplishments across the District from FY 2023 include:

- Completed the installation of Automated Meter Reading (AMR) meters District-wide and Advanced Metering Infrastructure (AMI) network to enable near-real time collection of water consumption data by not only the District but also individual customers through on-line portals.
- Went live with the new Computerized Maintenance Management System (CMMS) software and database for facilitating and tracking maintenance of District assets

- Prepared the District's first Annual Comprehensive Financial Report (ACFR) for the FY 2022 financial statements. The FY 2022 ACFR was awarded an Excellence in Financial Reporting award from the Government Finance Officers Association.
- Hosted "Water Awareness Day 2023" on May 6, 2023 to educate District customers regarding District services. The 2023 event set a new record for attendance.
- Completed a new Financial Plan and Cost of Service study culminating in the adoption of a five-year schedule of rates and charges to fund operating and capital expenses and achieve prudent financial reserves through FY 2028.

Internal Control Structure

District management is responsible for the establishment and maintenance of an internal control structure that ensures that District assets are protected from loss, theft, or misuse. The internal control structure also warrants that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The District's internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Control

The Board of Directors approves an operating and capital budget annually at the start of each fiscal year. The budget reflects the District's priorities and needs for the upcoming year and provides the basis for reporting and control of financial operations and accountability for the District's activities. The budget and reporting treatment applied to the District are consistent with the accrual basis of accounting and the financial statement basis.

Investment Policy

The Board of Directors has adopted an investment policy that conforms to state law and prudent money management. The objectives of the Investment Policy are safety, liquidity, and return on investment. District funds are invested in the State Treasurer's Local Agency Investment Fund (LAIF) and checking accounts.

Independent Audit and Financial Reporting

The State Law and Bond covenants require the District to obtain an annual audit of its financial statements by an independent certified public accountant. The accounting firm of Nigro & Nigro, PC has conducted the audit of the District's financial statements for FY 2023. Their unmodified Independent Auditor's Report appears in the Financial Section.

Risk Management

The District is a member of the Association of California Water Agencies Joint Powers Insurance Authority (Authority). The purpose of the Authority is to arrange and administer insurance programs for the pooling of self-insured losses and to purchase excess insurance coverage, as necessary.

Other References

More information is contained in the Management's Discussion and Analysis and in the Notes to the Basic Financial Statements found in the Financial Section of the report.

Awards and Acknowledgement

This is the 2nd year that the District is submitting its Annual Comprehensive Financial Report (ACFR) for the Government Finance Officers Association of the United States and Canada's (GFOA) Certificate of Achievement for Excellence in Financial Reporting. To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe that this ACFR meets the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine our eligibility for the FY 2023.

Preparation of this report is the result of the collective efforts of District staff. I would like to thank the Board for their leadership and continued interest in, and support of, prudent fiscal management of the District. I would also like to extend my appreciation to all employees for their support of the District's mission, and for their dedication to providing the highest level of professionalism, teamwork, and service to our valued customers, and a special thank you to Karen Warner, Principal Accountant, who was instrumental in the preparation of this report.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "F. Paludi". The signature is fluid and cursive, with a large initial "F" and a trailing dot.

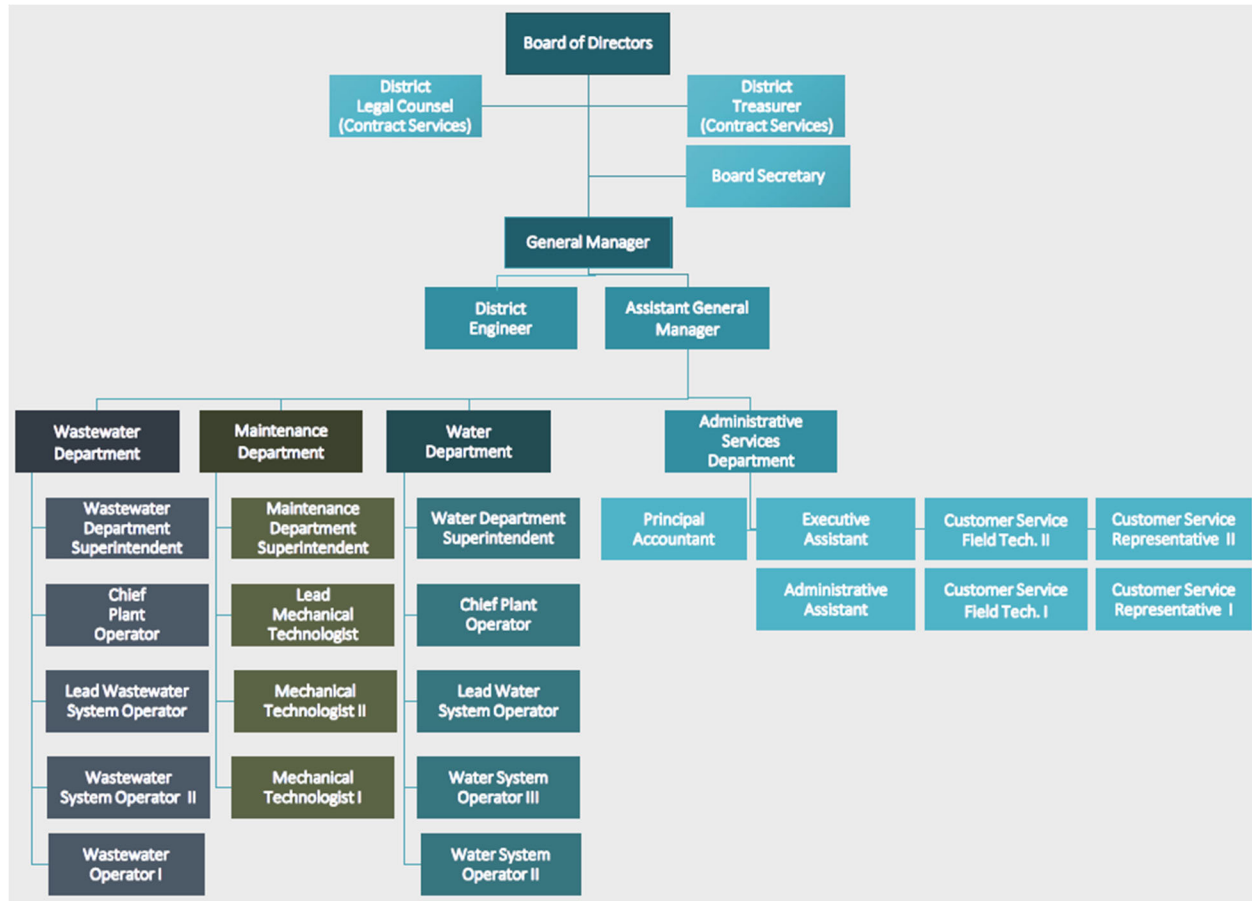
Fernando Paludi, P.E.
General Manager

A handwritten signature in dark ink, appearing to read "Cindy Byerrum". The signature is cursive and elegant, with a large initial "C" and a trailing flourish.

Cindy Byerrum, CPA
District Treasurer

TRABUCO CANYON WATER DISTRICT

Organizational Chart



TRABUCO CANYON WATER DISTRICT

GFOA Certificate of Achievement for Excellence in Financial Reporting



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Trabuco Canyon Water District
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

Financial Section



INDEPENDENT AUDITORS' REPORT

Board of Directors
Trabuco Canyon Water District
Trabuco Canyon, California

Opinion

We have audited the accompanying financial statements of the Trabuco Canyon Water District (District), which comprise the balance sheets as of June 30, 2023 and 2022, and related statements of revenue, expenses, and changes in net position, and cash flows for the years then ended, and related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2023 and 2022, and the respective changes in its financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of the Agency's Proportionate Share of the Plan's Net Pension Liability, Schedule of the Agency's Contributions to the Pension Plan, Schedule of Changes in the Agency's Net OPEB Liability and Related Ratios, and Schedule of the Agency's Contributions to the OPEB Plan be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements as a whole. The Balance Sheets – Combined – Internal Funds and Schedule of Revenues, Expenses and Changes in Net Position – Combined – Internal Funds are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a separate report dated December 21, 2023, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

Murrieta, California
December 21, 2023

TRABUCO CANYON WATER DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Years Ended June 30, 2023 and 2022

Management's Discussion and Analysis (MD&A) offers readers of Trabuco Canyon Water District's (District's) financial statements a narrative overview of the District's financial activities for the years ended June 30, 2023 and 2022. This MD&A presents financial highlights, an overview of the accompanying financial statements, an analysis of net position and results of operations, a current to prior year analysis, a discussion on restrictions, commitments and limitations, and a discussion of significant activity involving capital assets and long-term debt. Please read in conjunction with the financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- In fiscal year 2023, the District's net position decreased 6.56%, or \$3,064,906 from the prior year's net position of \$46,699,437 to \$43,634,531, as a result of the year's operations.
- In fiscal year 2022, the District's net position decreased 7.19%, or \$3,617,916 from the prior year's net position of \$50,317,353 to \$46,699,437, as a result of the year's operations.
- In fiscal year 2023, operating revenues increased by 8.82%, or \$795,146 from \$9,018,591 to \$9,813,737, from the prior year, primarily due to increases in wholesale water sales as well as increases in water and sewer service charges.
- In fiscal year 2022, operating revenues increased by 1.00%, or \$89,571 from \$8,929,020 to \$9,018,591, from the prior year, primarily due to increases in water consumption sales as well as increases in other water service charges and reclaimed water sales.
- In fiscal year 2023, operating expenses before depreciation expense increased by 10.13% or \$1,133,474 from \$11,191,910 to \$12,325,384, from the prior year, primarily due to increases in general and administrative expenses.
- In fiscal year 2022, operating expenses before depreciation expense decreased by 4.43% or \$518,443 from \$11,710,353 to \$11,191,910, from the prior year, primarily due to decreases in sewer operation costs related to reduced repairs and maintenance expenses, and general and administrative expenses.

REQUIRED FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Balance Sheet, Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows provide information about the activities and performance of the District using accounting methods similar to those used by private sector companies.

The Balance Sheet includes all of the District's investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for computing a rate of return, evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District. All of the current year's revenue and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement measures the success of the District's operations over the past year and can be used to determine if the District has successfully recovered all of its costs through its rates and other charges. This statement can also be used to evaluate profitability and credit worthiness. The final required financial statement is the Statement of Cash Flows, which provides information about the District's cash receipts and cash payments during the reporting period. The Statement of Cash Flows reports cash receipts, cash payments and net changes in cash resulting from operations, investing, non-capital financing, and capital and related financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

TRABUCO CANYON WATER DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Years Ended June 30, 2023 and 2022

FINANCIAL ANALYSIS OF THE DISTRICT

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of this year's activities?" The Balance Sheet and the Statement of Revenues, Expenses and Changes in Net Position report information about the District in a way that helps answer this question.

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting method used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the District's net position and changes in them. You can think of the District's net position – the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources – as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, zoning and new or changed government legislation.

Condensed Balance Sheets

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Change</u>	<u>June 30, 2021</u>	<u>Change</u>
Assets:					
Current assets	\$ 3,637,958	\$ 1,816,129	\$ 1,821,829	\$ 3,646,458	\$ (1,830,329)
Non-current assets	7,018,855	12,846,062	(5,827,207)	5,221,939	7,624,123
Capital assets, net	<u>49,617,239</u>	<u>49,313,230</u>	<u>304,009</u>	<u>50,053,318</u>	<u>(740,088)</u>
Total assets	<u>60,274,052</u>	<u>63,975,421</u>	<u>(3,701,369)</u>	<u>58,921,715</u>	<u>5,053,706</u>
Deferred outflows of resources	<u>2,508,005</u>	<u>1,411,844</u>	<u>1,096,161</u>	<u>1,486,262</u>	<u>(74,418)</u>
Total assets and deferred outflows of resources	<u>\$ 62,782,057</u>	<u>\$ 65,387,265</u>	<u>\$ (2,605,208)</u>	<u>\$ 60,407,977</u>	<u>\$ 4,979,288</u>
Liabilities:					
Current liabilities	\$ 2,402,381	\$ 2,735,477	\$ (333,096)	\$ 3,727,201	\$ (991,724)
Non-current liabilities	<u>16,097,840</u>	<u>13,565,271</u>	<u>2,532,569</u>	<u>5,975,665</u>	<u>7,589,606</u>
Total liabilities	<u>18,500,221</u>	<u>16,300,748</u>	<u>2,199,473</u>	<u>9,702,866</u>	<u>6,597,882</u>
Deferred inflows of resources	<u>647,305</u>	<u>2,387,080</u>	<u>(1,739,775)</u>	<u>387,758</u>	<u>1,999,322</u>
Net position:					
Net investment in capital assets	40,918,075	44,617,301	(3,699,226)	47,913,266	(3,295,965)
Restricted for capital improvements	3,885,460	5,292,370	(1,406,910)	5,104,320	188,050
Unrestricted	<u>(1,169,004)</u>	<u>(3,210,234)</u>	<u>2,041,230</u>	<u>(2,700,233)</u>	<u>(510,001)</u>
Total net position	<u>43,634,531</u>	<u>46,699,437</u>	<u>(3,064,906)</u>	<u>50,317,353</u>	<u>(3,617,916)</u>
Total liabilities, deferred outflows of resources and net position	<u>\$ 62,782,057</u>	<u>\$ 65,387,265</u>	<u>\$ (2,605,208)</u>	<u>\$ 60,407,977</u>	<u>\$ 4,979,288</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources of the District exceeded liabilities and deferred inflows of resources by \$43,634,531 and \$46,699,437 as of June 30, 2023 and June 30, 2022, respectively.

TRABUCO CANYON WATER DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Years Ended June 30, 2023 and 2022

FINANCIAL ANALYSIS OF THE DISTRICT (continued)

Condensed Balance Sheets (continued)

By far the largest portion of the District's net position (94% and 96% as of June 30, 2023 and 2022, respectively) reflects the District's net investment in capital assets (net of accumulated depreciation) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its customers; consequently, these assets are not available for future spending.

At the end of year 2023, the District showed a negative (deficit) balance in its unrestricted net position of (\$1,169,004) which was due to the estimated \$2,305,533 amount for the net pension and net OPEB liabilities and their related deferred outflows/inflows. At the end of year 2022, the District showed a negative (deficit) balance in its unrestricted net position of (\$3,210,234) which was due to the estimated \$3,939,488 amount for the net pension and net OPEB liabilities and their related deferred outflows/inflows.

Condensed Statements of Revenues, Expenses, and Changes in Net Position

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Change</u>	<u>June 30, 2021</u>	<u>Change</u>
Operating revenues	\$ 9,813,737	\$ 9,018,591	\$ 795,146	\$ 8,929,020	\$ 89,571
Operating expenses	<u>(12,325,384)</u>	<u>(11,191,910)</u>	<u>(1,133,474)</u>	<u>(11,710,353)</u>	<u>518,443</u>
Operating income before depreciation	(2,511,647)	(2,173,319)	(338,328)	(2,781,333)	608,014
Depreciation expense	<u>(4,357,962)</u>	<u>(4,129,429)</u>	<u>(228,533)</u>	<u>(3,689,570)</u>	<u>(439,859)</u>
Operating income	(6,869,609)	(6,302,748)	(566,861)	(6,470,903)	168,155
Non-operating revenues (expenses), net	<u>2,391,802</u>	<u>1,861,731</u>	<u>530,071</u>	<u>2,147,079</u>	<u>(285,348)</u>
Capital contributions	<u>1,412,901</u>	<u>823,101</u>	<u>589,800</u>	<u>2,000,356</u>	<u>(1,177,255)</u>
Change in net position	(3,064,906)	(3,617,916)	553,010	(2,323,468)	(1,294,448)
Net position:					
Beginning of year	<u>46,699,437</u>	<u>50,317,353</u>	<u>(3,617,916)</u>	<u>52,640,821</u>	<u>(2,323,468)</u>
End of year	<u>\$ 43,634,531</u>	<u>\$ 46,699,437</u>	<u>\$ (3,064,906)</u>	<u>\$ 50,317,353</u>	<u>\$ (3,617,916)</u>

The statement of revenues, expenses and changes in net position shows how the District's net position changed during the fiscal years.

A closer examination of the sources of changes in net position reveals that:

In fiscal year 2023, the District's net position decreased 6.56%, or \$3,064,906 from the prior year's net position of \$46,699,437 to \$43,634,531, as a result of the year's operations.

In fiscal year 2022, the District's net position decreased 7.19%, or \$3,617,916 from the prior year's net position of \$50,317,353 to \$46,699,437, as a result of the year's operations.

TRABUCO CANYON WATER DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Years Ended June 30, 2023 and 2022

FINANCIAL ANALYSIS OF THE DISTRICT (continued)

The following tables present the detailed breakdown of the information presented in the condensed summary.

Total Revenues

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Increase (Decrease)</u>	<u>June 30, 2021</u>	<u>Increase (Decrease)</u>
Operating revenues:					
Water consumption sales	\$ 3,577,112	\$ 3,995,932	\$ (418,820)	\$ 3,758,473	\$ 237,459
Water service charges	1,300,466	1,150,052	150,414	1,059,237	90,815
Sewer service charges	2,098,956	1,881,560	217,396	1,955,995	(74,435)
Reclaimed water sales	634,941	716,515	(81,574)	613,962	102,553
Recycled water sales	272,892	222,925	49,967	245,799	(22,874)
Wholesale water sales - Baker Treatment Plant	1,629,310	865,032	764,278	1,278,778	(413,746)
Other operating revenues	300,060	186,575	113,485	16,776	169,799
Total operating revenues	<u>9,813,737</u>	<u>9,018,591</u>	<u>795,146</u>	<u>8,929,020</u>	<u>89,571</u>
Non-operating revenues:					
Property taxes	2,203,522	2,077,576	125,946	2,048,224	29,352
Investment earnings	325,827	(109,229)	435,056	29,813	(139,042)
Rental revenue	27,064	27,064	-	27,064	-
Other non-operating revenues	34,966	205,537	(170,571)	106,338	99,199
Total non-operating revenues	<u>2,591,379</u>	<u>2,200,948</u>	<u>390,431</u>	<u>2,211,439</u>	<u>(10,491)</u>
Total revenues	<u>\$ 12,405,116</u>	<u>\$ 11,219,539</u>	<u>\$ 1,185,577</u>	<u>\$ 11,140,459</u>	<u>\$ 79,080</u>

In fiscal year 2023, operating revenues increased by 8.82%, or \$795,146 from \$9,018,591 to \$9,813,737, from the prior year, primarily due to increases in wholesale water sales as well as increases in water and sewer service charges. Non-operating revenues increased by \$390,431 primarily due to an increase in investment earnings.

In fiscal year 2022, operating revenues increased by 1.00%, or \$89,571 from \$8,929,020 to \$9,018,591, from the prior year, primarily due to increases in water consumption sales as well as increases in other water service charges and reclaimed water sales. Non-operating revenues decreased by \$10,491 primarily due to a decrease in investment earnings.

TRABUCO CANYON WATER DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Years Ended June 30, 2023 and 2022

FINANCIAL ANALYSIS OF THE DISTRICT (continued)

Total Expenses

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Increase (Decrease)</u>	<u>June 30, 2021</u>	<u>Increase (Decrease)</u>
Operating expenses:					
Source of supply	\$ 3,325,796	\$ 3,724,291	\$ (398,495)	\$ 3,631,094	\$ 93,197
Pumping and power	279,177	283,159	(3,982)	295,308	(12,149)
Water treatment	351,136	266,246	84,890	346,674	(80,428)
Transmission and distribution	279,192	224,226	54,966	278,777	(54,551)
Sewer operations	566,643	443,417	123,226	760,445	(317,028)
Reclaimed operations	264,100	250,643	13,457	162,089	88,554
Recycled operations	291,563	250,711	40,852	164,044	86,667
General and administrative	6,967,777	5,749,217	1,218,560	6,071,922	(322,705)
Total operating expenses	<u>12,325,384</u>	<u>11,191,910</u>	<u>1,133,474</u>	<u>11,710,353</u>	<u>(518,443)</u>
Depreciation expense	4,357,962	4,129,429	228,533	3,689,570	439,859
Non-operating expenses:					
Interest expense	189,447	102,610	86,837	51,932	50,678
Cost of debt issuance	-	84,501	(84,501)	-	84,501
Property tax administration expense	10,130	11,508	(1,378)	12,428	(920)
Uncollectable federal grant	-	140,598	(140,598)	-	140,598
Total non-operating expenses	<u>199,577</u>	<u>339,217</u>	<u>(139,640)</u>	<u>64,360</u>	<u>274,857</u>
Total expenses	<u>\$ 16,882,923</u>	<u>\$ 15,660,556</u>	<u>\$ 1,222,367</u>	<u>\$ 15,464,283</u>	<u>\$ 196,273</u>

In fiscal year 2023, operating expenses before depreciation expense increased by 10.13% or \$1,133,474 from \$11,191,910 to \$12,325,384, from the prior year, primarily due to increases in general and administrative expenses. Non-operating expenses decreased by \$139,640 primarily due to a one-time uncollectable federal grant revenue of \$140,598 in the prior year.

In fiscal year 2022, operating expenses before depreciation expense decreased by 4.43% or \$518,443 from \$11,710,353 to \$11,191,910, from the prior year, primarily due to decreases in sewer operation costs related to reduced repairs and maintenance expenses, and general and administrative expenses. Non-operating expenses increased by \$274,857 due to an increase in interest expense as well as the cost of issuing debt.

Capital Assets

	<u>Balance June 30, 2023</u>	<u>Balance June 30, 2022</u>	<u>Balance June 30, 2021</u>
Capital assets:			
Non-depreciable assets	\$ 4,816,815	\$ 3,630,311	\$ 2,407,104
Depreciable assets	125,261,793	122,571,597	121,073,132
Accumulated depreciation	<u>(80,461,369)</u>	<u>(76,888,678)</u>	<u>(73,426,918)</u>
Total capital assets, net	<u>\$ 49,617,239</u>	<u>\$ 49,313,230</u>	<u>\$ 50,053,318</u>

At June 30, 2023 and 2022, the District's investment in capital assets amounted to \$49,617,239 and \$49,313,230 (net of accumulated depreciation), respectively. Capital asset additions for 2023 amounted to \$4,661,971 for various projects and equipment. See Note 6 for further information.

TRABUCO CANYON WATER DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Years Ended June 30, 2023 and 2022

FINANCIAL ANALYSIS OF THE DISTRICT (continued)

Debt Administration

The long-term debt of the District is summarized below:

	Balance	Balance	Balance
Long-term debt:	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Loans payable	<u>\$ 11,770,766</u>	<u>\$ 11,957,505</u>	<u>\$ 2,140,052</u>

For the years ended June 30, 2023 and 2022, long-term debt decreased by \$186,739 and increased by \$9,817,453, respectively. See Note 8 for further information.

NOTES TO THE BASIC FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

CONDITIONS AFFECTING CURRENT AND FUTURE FINANCIAL POSITION

The District's Board of Directors and management considered many factors when setting the fiscal year 2023 user fees and charges. A projection is made on the acre feet of water that will be purchased and sold. The District also looks at the increased cost of the source of supply. Since the District heavily relies on imported water, the costs are directly passed through by Metropolitan Water District. Some are fixed costs that do not vary depending upon the amount of water sold. Other expenses are budgeted individually to account for increases in such things as vehicle expenses and insurance coverages. The District's customer base has not changed significantly; therefore, revenue and costs are more easily projected. Questions concerning the information about the economic analysis, revenue and expense assumptions, and other budgetary process parameters utilized in the annual budget preparation can be obtained from the District's Finance Officer.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's funding sources, customers, stakeholders and other interested parties with an overview of the District's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the District's General Manager, at 32003 Dove Canyon Drive, Trabuco Canyon, California 92679, (949) 858-0277.

TRABUCO CANYON WATER DISTRICT

Balance Sheets

June 30, 2023 and 2022

<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>	<u>2023</u>	<u>2022</u>
Current assets:		
Cash and cash equivalents (Note 2)	\$ 822,212	\$ 200,527
Accrued interest receivable	5,689	4,271
Accounts receivable, net (Note 4)	1,877,325	1,177,530
Lease receivable (Note 5)	28,631	27,195
Other receivables	799,355	311,459
Prepaid expenses	104,746	95,147
Total current assets	3,637,958	1,816,129
Non-current assets:		
Restricted – cash and cash equivalents (Note 2 and 3)	6,931,270	12,535,603
Restricted – accrued interest receivable (Note 3)	25,792	18,343
Lease receivable - (Note 5)	61,793	90,424
Net OPEB asset (Note 9)	-	201,692
Capital assets – not being depreciated (Note 6)	4,816,815	3,630,311
Capital assets – being depreciated, net (Note 6)	44,800,424	45,682,919
Total non-current assets	56,636,094	62,159,292
Total assets	60,274,052	63,975,421
Deferred outflows of resources:		
Deferred amounts related to net OPEB liability (Note 9)	652,712	553,614
Deferred amounts related to net pension liability (Note 10)	1,855,293	858,230
Total deferred outflows of resources	2,508,005	1,411,844
Total assets and deferred outflows of resources	\$ 62,782,057	\$ 65,387,265
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</u>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 2,050,388	\$ 2,402,684
Deposits and unearned revenues	162,994	184,584
Long-term liabilities – due within one year:		
Compensated absences (Note 7)	94,027	55,369
Loans payable (Note 8)	94,972	92,840
Total current liabilities	2,402,381	2,735,477
Non-current liabilities:		
Long-term liabilities – due in more than one year:		
Compensated absences (Note 7)	174,621	102,828
Loans payable (Note 8)	11,675,794	11,864,665
Net OPEB liability (Note 9)	443,127	-
Net pension liability (Note 10)	3,804,298	1,597,778
Total non-current liabilities	16,097,840	13,565,271
Total liabilities	18,500,221	16,300,748
Deferred inflows of resources:		
Deferred amounts related to leases (Note 5)	81,192	108,256
Deferred amounts related to net OPEB liability (Note 9)	314,253	747,880
Deferred amounts related to net pension liability (Note 10)	251,860	1,530,944
Total deferred inflows of resources	647,305	2,387,080
Net position:		
Net investment in capital assets (Note 11)	40,918,075	44,617,301
Restricted for capital improvements (Note 3)	3,885,460	5,292,370
Unrestricted (Deficit) (Note 12)	(1,169,004)	(3,210,234)
Total net position	43,634,531	46,699,437
Total liabilities, deferred inflows of resources and net position	\$ 62,782,057	\$ 65,387,265

TRABUCO CANYON WATER DISTRICT*Statements of Revenues, Expenses and Changes in Net Position
For the Fiscal Years Ended June 30, 2023 and 2022*

	2023	2022
Operating revenues:		
Water consumption sales	\$ 3,577,112	\$ 3,995,932
Water service charges	1,300,466	1,150,052
Sewer service charges	2,098,956	1,881,560
Reclaimed water sales	634,941	716,515
Recycled water sales	272,892	222,925
Wholesale water sales – Baker Treatment Plant	1,629,310	865,032
Other operating revenues	300,060	186,575
Total operating revenues	9,813,737	9,018,591
Operating expenses:		
Source of supply	3,325,796	3,724,291
Pumping and power	279,177	283,159
Water treatment	351,136	266,246
Transmission and distribution	279,192	224,226
Sewer operations	566,643	443,417
Reclaimed operations	264,100	250,643
Recycled operations	291,563	250,711
General and administrative	6,967,777	5,749,217
Total operating expenses	12,325,384	11,191,910
Operating loss before depreciation	(2,511,647)	(2,173,319)
Depreciation expense	(4,357,962)	(4,129,429)
Operating loss	(6,869,609)	(6,302,748)
Non-operating revenues(expenses):		
Property taxes	2,203,522	2,077,576
Investment earnings	325,827	(109,229)
Rental revenue	27,064	27,064
Interest expense	(189,447)	(102,610)
Cost of debt issuance	-	(84,501)
Property tax administration charge	(10,130)	(11,508)
Uncollectable capital grants	-	(140,598)
Other non-operating revenues	34,966	205,537
Total non-operating revenues(expenses), net	2,391,802	1,861,731
Change in net position before capital contributions	(4,477,807)	(4,441,017)
Capital contributions:		
Water reliability and emergency storage fees	865,302	823,101
Capital grants	506,804	-
Contributed capital – other	40,795	-
Total capital contributions	1,412,901	823,101
Change in net position	(3,064,906)	(3,617,916)
Net position:		
Beginning of year	46,699,437	50,317,353
End of year	<u>\$ 43,634,531</u>	<u>\$ 46,699,437</u>

TRABUCO CANYON WATER DISTRICT
Statements of Cash Flows
For the Fiscal Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities:		
Cash receipts from customers and others	\$ 8,715,271	\$ 9,133,445
Cash paid to employees for salaries and wages	(2,846,507)	(2,594,683)
Cash paid to vendors and suppliers for materials and services	<u>(9,736,508)</u>	<u>(9,761,402)</u>
Net cash used in operating activities	<u>(3,867,744)</u>	<u>(3,222,640)</u>
Cash flows from non-capital financing activities:		
Proceeds from property taxes	<u>2,189,440</u>	<u>2,062,116</u>
Net cash provided by non-capital financing activities	<u>2,189,440</u>	<u>2,062,116</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(4,661,971)	(3,389,341)
Capital grants	506,804	-
Capital contributions	906,097	823,101
Proceeds from loan payable	-	9,915,499
Principal paid on long-term debt	(186,739)	(182,547)
Interest paid on long-term debt	<u>(189,447)</u>	<u>(102,610)</u>
Net cash provided by (used in) capital and related financing activities	<u>(3,625,256)</u>	<u>7,064,102</u>
Cash flows from investing activities:		
Change in investments	3,952	(197,740)
Investment earnings	<u>316,960</u>	<u>(126,247)</u>
Net cash provided by (used in) investing activities	<u>320,912</u>	<u>(323,987)</u>
Net increase(decrease) in cash and cash equivalents	<u>(4,982,648)</u>	<u>5,579,591</u>
Cash and cash equivalents:		
Beginning of year	<u>12,736,130</u>	<u>7,156,539</u>
End of year	<u><u>\$ 7,753,482</u></u>	<u><u>\$ 12,736,130</u></u>
Reconciliation of cash and cash equivalents:		
Cash and cash equivalents	\$ 822,212	\$ 200,527
Restricted – cash and cash equivalents	<u>6,931,270</u>	<u>12,535,603</u>
Total cash and cash equivalents	<u><u>\$ 7,753,482</u></u>	<u><u>\$ 12,736,130</u></u>

TRABUCO CANYON WATER DISTRICT
Statements of Cash Flows (continued)
For the Fiscal Year Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (6,869,609)	\$ (6,302,748)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	4,357,962	4,129,429
Rental and contract revenue	27,064	27,064
Other non-operating revenues	34,966	205,537
Change in assets – (increase)decrease:		
Accounts receivable, net	(699,795)	(75,718)
Lease receivable	27,195	22,979
Other receivables	(487,896)	(65,008)
Prepaid expenses	(9,599)	(18,344)
Change in deferred outflows of resources – (increase)decrease		
Deferred amounts related to net OPEB liability	(99,098)	(134,733)
Deferred amounts related to net pension liability	(997,063)	209,151
Change in liabilities – increase(decrease):		
Accounts payable and accrued expenses	(352,296)	(938,981)
Deposits and unearned revenues	(21,590)	(18,677)
Compensated absences	110,451	(103,286)
Net OPEB liability	644,819	(356,590)
Net pension liability	2,206,520	(1,802,037)
Change in deferred inflows of resources – increase(decrease)		
Deferred amounts related to leases	(27,064)	(27,064)
Deferred amounts related to net OPEB liability	(433,627)	562,280
Deferred amounts related to net pension liability	(1,279,084)	1,464,106
Total adjustments	<u>3,001,865</u>	<u>3,080,108</u>
Net cash used in operating activities	<u>\$ (3,867,744)</u>	<u>\$ (3,222,640)</u>

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A. Description of Organization

The Trabuco Canyon Water District (District) was organized in January 1962, under provisions of the County Water District Act (Sections 30000 et. seq. of the Water Code of the State of California). The District is governed by a Board of Directors made up of five members elected by the qualified voters in the District. The purpose of the District is to finance, construct, operate and maintain a water system and wastewater system to serve properties within the District's boundaries. The Trabuco Canyon Water District includes the accounts of the District, Trabuco Canyon Improvement Corporation and Trabuco Canyon Public Financing Authority as blended component units.

The Trabuco Canyon Public Financing Authority (Authority) was organized on August 8, 1993, pursuant to the Government Code of the State of California (Title 1, Division 7 Section 6500 of the California Government Code), as a Joint Powers Agency, solely for the purpose of providing financial assistance to the District. Complete financial statements for the Authority are available at the District's office or upon request of the District's Treasurer at 32003 Dove Canyon Drive, Trabuco Canyon, California 92679.

The criteria used in determining the scope of the financial reporting entity is based on the provisions of Governmental Accounting Standards Board Statement No. 61, The Financial Reporting Entity (GASB Statement No. 61). The District is the primary governmental unit based on the foundation of a separately elected governing board that is elected by the citizens in a general popular election. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The District is financially accountable if it appoints a voting majority of the organization's governing body and: 1) It is able to impose its will on that organization, or 2) There is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

B. Basis of Presentation, Basis of Accounting

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied.

Operating revenues are those revenues that are generated from the primary operations of the District. The District reports a measure of operations by presenting the change in net position from operations as operating income in the statement of revenues, expenses, and changes in net position. Operating activities are defined by the District as all activities other than financing and investing activities (interest expense and investment income), grants and subsidies, and other infrequently occurring transactions of a non-operating nature. Operating expenses are those expenses that are essential to the primary operations of the District. All other expenses are reported as non-operating expenses.

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position

1. Cash and Cash Equivalents

For purposes of the statement of cash flows, the District considers all highly liquid investments with a maturity of 90 days or less, when purchased, to be cash equivalents. Cash deposits are reported at the carrying amount, which reasonably estimates fair value.

2. Investments

Investments are reported at fair value except for short-term investments, which are reported at cost, which approximates fair value. Cash deposits are reported at carrying amount, which reasonably estimates fair value. Investments in governmental investment pools are reported at fair value based on the fair value per share of the pool's underlying portfolio.

In accordance with fair value measurements, the District categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement.

Financial assets and liabilities recorded on the balance sheet are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Inputs that reflect unadjusted quoted prices in active markets for identical investments, such as stocks, corporate and government bonds. The District has the ability to access the holding and quoted prices as of the measurement date.

Level 2 – Inputs, other than quoted prices, that are observable for the asset or liability either directly or indirectly, including inputs from markets that are not considered to be active.

Level 3 – Inputs that are unobservable. Unobservable inputs reflect the District's own assumptions about the factors market participants would use in pricing an investment, and is based on the best information available in the circumstances.

3. Restricted Assets

Amounts shown as restricted assets have been restricted by either bond indentures, external constraints, or laws and regulations of other governments.

4. Receivables and Allowance for Doubtful Accounts

Customer accounts receivable consist of amounts owed by private individuals and organizations for services rendered in the regular course of business operations. Receivables are shown net of allowances for doubtful accounts. Uncollectable accounts are based on prior experience and management's assessment of the collectability of existing accounts.

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

5. Prepays

Certain payments of vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

6. Lease Receivable and Deferred Inflows of Resources

The primary objective is to enhance the relevance and consistency of information about the governments' leasing activities. As a lessor, the District is required to recognize a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions. The District's lease receivable is measured at the present value of the lease payments expected to be received during the lease term. Under the lease agreement, the District may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is measured at the value of the lease receivable in addition to any payments received at or before the commencement of the lease term that relate to future periods. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

7. Capital Assets

Capital assets are stated at cost or at their estimated acquisition value at date of donation. It is the District's policy to capitalize assets costing over \$5,000. The provision for depreciation is computed using the straight-line method over the estimated service lives of the capital assets. Estimated service lives for the District's classes of assets are as follows:

Description	Estimated Lives
Transmission and distribution system	5-40 years
Wastewater system	4-40 years
Structures and improvements	10-30 years
Equipment	3-15 years

8. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time.

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

9. Compensated Absences

The District's policy is to permit employees to accumulate earned vacation up to a total of 240 hours with amounts exceeding the limit being paid out as part of the employee's regular compensation. Upon termination of employment, employees are paid all unused vacation and forfeit any unused sick time. Upon retirement employees are paid all unused vacation and 50% of any unused sick time.

10. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plans and addition to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The following timeframes are used for pension reporting:

	<u>2023</u>	<u>2022</u>
Valuation Date	June 30, 2021	June 30, 2020
Measurement Date	June 30, 2022	June 30, 2021
Measurement Period	July 1, 2021 to June 30, 2022	July 1, 2020 to June 30, 2021

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systemically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows as deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over the average expected remaining lives of all members that are provided the benefits (active, inactive and retirees) as of the beginning of the measurement period.

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

11. Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's Retiree Benefits Plan ("the Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments which are reported at cost.

The following timeframes are used for OPEB reporting:

	<u>2023</u>	<u>2022</u>
Valuation Date	June 30, 2021	June 30, 2021
Measurement Date	June 30, 2022	June 30, 2021
Measurement Period	July 1, 2021 to June 30, 2022	July 1, 2020 to June 30, 2021

12. Net Position

Net position is classified into three components: net investment in capital assets, restricted and unrestricted. These classifications are defined as follows:

- **Net investment in capital assets** - This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- **Restricted** - This component of net position consists of external constraints placed on net position imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted net position** - This component of net position consists of net position that does not meet the definition of "net investment in capital assets" or "restricted".

D. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those estimates.

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Property Taxes

The Orange County Assessor's Office assesses all real and personal property within the County each year. The Orange County Tax Collector's Office bills and collects the District's share of property taxes. The Orange County Auditor-Controller's Office remits current property tax collections to the District throughout the year. Property tax in California is levied in accordance with Article XIII A of the State Constitution at one percent (1%) of countywide assessed valuations. Property taxes receivable at year-end are related to property taxes collected by the Orange County Tax Collector's Office, which have not been credited to the District's cash balance as of June 30.

The property tax calendar is as follows:

Lien date March 1
Levy date July 1
Due dates November 1 and March 1
Collection dates December 10 and April 10

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents were classified in the accompanying financial statements as follows:

<u>Description</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Cash and cash equivalents	\$ 822,212	\$ 200,527
Restricted – cash and cash equivalents	6,931,270	12,535,603
Total cash and cash equivalents	\$ 7,753,482	\$ 12,736,130

Cash and cash equivalents consisted of the following:

<u>Description</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Cash on hand	\$ -	\$ 416
Demand deposits held with financial institution	1,003,523	1,294,996
Local Agency Investment Fund (LAIF)	2,210,241	11,440,718
California Class	4,539,718	-
Total cash and cash equivalents	\$ 7,753,482	\$ 12,736,130

Demand Deposits with Financial Institutions

At June 30, 2023 and 2022, the carrying amount of the District's demand deposits were \$1,003,523 and \$1,294,996, respectively, and the financial institution's balances were \$985,311 and \$1,510,902, respectively. The net difference represents outstanding checks, deposits-in-transit and/or other reconciling items between the financial institution's balance and the District's balance for each year.

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 2 – CASH AND CASH EQUIVALENTS (continued)

The California Government Code requires California banks and savings and loan associations to secure an entity's deposits by pledging government securities with a value of 110% of an entity's deposits. California law also allows financial institutions to secure entity deposits by pledging first trust deed mortgage notes having a value of 150% of an entity's total deposits. The entity's Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state-chartered banks is held in safekeeping by an authorized agent of depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an agent of depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an agent of depositor has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California agents of depository are considered to be held for, and in the name of, the local government.

Custodial Credit Risk

The custodial credit risk for *deposits* is the risk that in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's investment policy requires that collateral be held by an independent third party with whom the District has a current custodial agreement.

Local Agency Investment Fund (LAIF)

The California State Treasurer, through the Pooled Money Investment Account (PMIA), invests taxpayers' money to manage the State's cash flow and strengthen the financial security of local governmental entities. PMIA policy sets as primary investment objectives safety, liquidity and yield. Through the PMIA, the Investment Division manages the Local Agency Investment Fund (LAIF). The LAIF allows cities, counties and special districts to place money in a major portfolio and, at no additional costs to taxpayers, use the expertise of Investment Division staff. Participating agencies can withdraw their funds from the LAIF at any time as LAIF is highly liquid and carries a dollar-in dollar-out amortized cost methodology.

The District is a voluntary participant in LAIF. The fair value of the District's investment in this pool is reported at an amount based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of the of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF. LAIF is not categorized under the fair value hierarchy established by GAAP as it is held at an amortized cost basis and it is Not Rated under the current credit risk ratings format. For financial reporting purposes, the District considers LAIF a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology. As of June 30, 2023, and 2022, the District held \$2,210,241 and \$11,440,718 in LAIF, respectively.

California Cooperative Liquid Assets Securities System (California CLASS)

The California Cooperative Liquid Assets Securities System (California CLASS) is a joint exercise of powers entity authorized under Section 6509.7, California Government Code. California CLASS is a pooled investment option that was created via a joint exercise of powers agreement by and among California public agencies. California CLASS provides California public agencies with a convenient method for investing in high-quality, short- to medium-term securities carefully selected to optimize interest earnings while prioritizing safety and liquidity. The California CLASS Prime and Enhanced Cash funds offer public agencies the opportunity to strengthen and diversify their cash management programs in accordance with the safety, liquidity, and yield hierarchy that governs the investment of public funds.

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 2 – CASH AND CASH EQUIVALENTS (continued)

The management of California CLASS is under the direction of a Board of Trustees comprised of eligible Participants of the program. The Board of Trustees has appointed Public Trust Advisors, LLC to serve as the Investment Advisor and Administrator of the program and has appointed U.S. Bank as the Custodian.

The District is a voluntary participant in California CLASS. The fair value of the District's investment in this pool is reported at an amount based upon the District's pro-rata share of the fair value provided by California CLASS for the entire California CLASS portfolio (in relation to the amortized cost of the of that portfolio). The balance available for withdrawal is based on the accounting records maintained by California CLASS. California CLASS is not categorized under the fair value hierarchy established by GAAP as it is held at an amortized cost basis. The California Class Prime and Enhanced Cash funds receive a credit rating of AAAM (S&P Global Ratings) and AAAsf/S1 (FitchRatings), respectively. For financial reporting purposes, the District considers California CLASS a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology. As of June 30, 2023, and 2022, the District held \$4,539,718 and \$0 in California CLASS, respectively.

Concentration of Credit Risk

The District's investment policy contains no limitations on the amount that can be invested in any one governmental agency or non-governmental issuer beyond that stipulated by the California Government Code. There were no investments in any one governmental or non-governmental issuer that represented 5% or more of the District's total investments that are subject to disclosure.

NOTE 3 – RESTRICTED – ASSETS AND RESTRICTED – NET POSITION

Restricted assets as of June 30, were classified in the accompanying financial statements as follows:

Description	June 30, 2023	June 30, 2022
Restricted – cash and cash equivalents	\$ 6,931,270	\$ 12,535,603
Restricted - accrued interest receivable	25,792	18,343
Total restricted assets	\$ 6,957,062	\$ 12,553,946

Restricted assets for the year ended June 30, were restricted as follows:

Description	June 30, 2023	June 30, 2022
Unspent proceeds from loan issuance	\$ 3,071,602	\$ 7,261,576
Developer and other capital improvements	1,186,459	1,243,335
Water reliability and emergency storage	2,699,001	4,049,035
Total restricted assets	6,957,062	12,553,946
Less: Unspent proceeds from loan issuance	(3,071,602)	(7,261,576)
Total restricted – net position	\$ 3,885,460	\$ 5,292,370

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 4 – ACCOUNTS RECEIVABLE, NET

Accounts receivable, net of allowance for doubtful accounts consisted of the following:

Description	June 30, 2023	June 30, 2022
Accounts receivable	\$ 2,225,546	\$ 1,296,566
Allowance for doubtful accounts	(348,221)	(119,036)
Total accounts receivable, net	\$ 1,877,325	\$ 1,177,530

NOTE 5 – LEASE RECEIVABLE AND DEFERRED INFLOWS OF RESOURCES – LEASES

Changes in the District's lease receivable for the year ended June 30, 2023 was as follows:

Description	Balance July 1, 2022	Additions	Deductions	Balance June 30, 2023
Cellular antenna site rental	\$ 117,619	\$ -	\$ (27,195)	\$ 90,424

Changes in the District's lease receivable for the year ended June 30, 2022 was as follows:

Description	Balance July 1, 2021	Additions	Deductions	Balance June 30, 2022
Cellular antenna site rental	\$ 140,598	\$ -	\$ (22,979)	\$ 117,619

The District is reporting a total lease receivable of \$90,424 and \$117,619 and a total related deferred inflows of resources of \$81,192 and \$108,256 for the years ending June 30, 2023 and 2022, respectively. Also, the District is reporting total lease revenue of \$27,064 and \$27,064 and interest revenue of \$2,106 and \$2,602 related to lease payments received for the years ending June 30, 2023 and 2022, respectively.

The lease held by the District does not have an implicit rate of return, therefore the District used their incremental borrowing rate of 2.00% to discount the lease revenue to the net present value. In some cases leases contain termination clauses. In these cases the clause requires the lessee or lessor to show cause to terminate the lease. Also, certain leasing-types are considered "volatile leases." Those volatile leases were not extended past their initial lease period for financial statement recognition due to their volatility. The District's lease is summarized as follows:

Cellular Antenna Site Rental

The District, on July 1, 2020, renewed a continuous lease for 72 months as lessor for the use of a cellular antenna site rental. An initial lease receivable was recorded in the amount of \$162,385. As of June 30, 2023, the value of the lease receivable was \$90,424. The lease is required to make monthly fixed payments of \$2,070 for the first 12-month period, then increase 3.0% per year. The lease has an interest rate of 2.00%. The value of the deferred inflow of resource was \$81,192 as of June 30, 2023. The District recognized lease revenue of \$27,064 and interest revenue of \$2,106 during the fiscal year. The lessee will be evaluated by the District for future extensions after the completion of this lease period. Since this is considered a volatile lease only this lease period has been recognized.

TRABUCO CANYON WATER DISTRICT*Notes to Financial Statements**June 30, 2023 and 2022***NOTE 5 – LEASE RECEIVABLE AND DEFERRED INFLOWS OF RESOURCES – LEASES (continued)**

Minimum future lease receipts for the next four fiscal years are as follows:

Fiscal Year	Principal	Interest	Total
2024	\$ 28,631	\$ 1,549	\$ 30,180
2025	30,122	963	31,085
2026	31,671	347	32,018
Total	90,424	\$ 2,859	\$ 93,283
Current	(28,631)		
Long-term	\$ 61,793		

Changes in the District's deferred inflows of resources related to leases for June 30, 2023 is as follows:

Description	Balance July 1, 2022	Additions	Deductions	Balance June 30, 2023
Cellular antenna site rental	\$ 108,256	\$ -	\$ (27,064)	\$ 81,192

Changes in the District's deferred inflows of resources related to leases for June 30, 2022 is as follows:

Description	Balance July 1, 2021	Additions	Deductions	Balance June 30, 2022
Cellular antenna site rental	\$ 135,320	\$ -	\$ (27,064)	\$ 108,256

The amounts reported as deferred inflows of resources related to leases for the year ended June 30, 2023, will be amortized in future periods as follows:

Amortization Period Fiscal Year Ended June 30	Deferred Inflows of Resources
2024	\$ 27,064
2025	27,064
2026	27,064
Total	\$ 81,192

TRABUCO CANYON WATER DISTRICT*Notes to Financial Statements**June 30, 2023 and 2022***NOTE 6 – CAPITAL ASSETS AND DEPRECIATION**

Changes in capital assets for the fiscal year ended June 30, 2023, were as follows:

Description	Balance July 1, 2022	Additions	Deletions/ Transfers	Balance June 30, 2023
Non-depreciable assets:				
Land	\$ 2,339,113	\$ -	\$ -	\$ 2,339,113
Construction-in-process	1,291,198	4,596,646	(3,410,142)	2,477,702
Total non-depreciable assets	3,630,311	4,596,646	(3,410,142)	4,816,815
Depreciable assets:				
Water transmission and distribution system	58,691,677	1,822,413	(1,497,147)	59,016,943
Recycled water and wastewater system	58,710,883	888,945	(205,036)	59,394,792
Structures and improvements	1,620,185	-	-	1,620,185
Machinery and equipment	3,548,852	764,109	916,912	5,229,873
Total depreciable assets	122,571,597	3,475,467	(785,271)	125,261,793
Accumulated depreciation:				
Water transmission and distribution system	(34,890,472)	(1,897,396)	1,497,147	(35,290,721)
Recycled water and wastewater system	(39,715,024)	(1,887,399)	205,036	(41,397,387)
Structures and improvements	(1,245,659)	(74,544)	-	(1,320,203)
Machinery and equipment	(1,037,523)	(498,623)	(916,912)	(2,453,058)
Total accumulated depreciation	(76,888,678)	(4,357,962)	785,271	(80,461,369)
Total depreciable assets, net	45,682,919	(882,495)	-	44,800,424
Total capital assets, net	\$ 49,313,230	\$ 3,714,151	\$ (3,410,142)	\$ 49,617,239

In fiscal year 2023, major capital asset additions amounted to \$4,661,971, and depreciation expense amounted to \$4,357,962.

TRABUCO CANYON WATER DISTRICT*Notes to Financial Statements**June 30, 2023 and 2022***NOTE 6 – CAPITAL ASSETS AND DEPRECIATION (continued)**

Changes in capital assets for the fiscal year ended June 30, 2022, were as follows:

Description	Balance July 1, 2021	Additions	Deletions/ Transfers	Balance June 30, 2022
Non-depreciable assets:				
Land	\$ 2,339,113	\$ -	\$ -	\$ 2,339,113
Construction-in-process	67,991	3,215,492	(1,992,285)	1,291,198
Total non-depreciable assets	2,407,104	3,215,492	(1,992,285)	3,630,311
Depreciable assets:				
Water transmission and distribution system	58,614,541	441,890	(364,754)	58,691,677
Recycled water and wastewater system	58,160,697	714,558	(164,372)	58,710,883
Structures and improvements	1,624,771	74,244	(78,830)	1,620,185
Machinery and equipment	2,673,123	935,442	(59,713)	3,548,852
Total depreciable assets	121,073,132	2,166,134	(667,669)	122,571,597
Accumulated depreciation:				
Water transmission and distribution system	(33,551,590)	(1,703,636)	364,754	(34,890,472)
Recycled water and wastewater system	(37,926,913)	(1,952,483)	164,372	(39,715,024)
Structures and improvements	(1,262,499)	(61,990)	78,830	(1,245,659)
Machinery and equipment	(685,916)	(411,320)	59,713	(1,037,523)
Total accumulated depreciation	(73,426,918)	(4,129,429)	667,669	(76,888,678)
Total depreciable assets, net	47,646,214	(1,963,295)	-	45,682,919
Total capital assets, net	\$ 50,053,318	\$ 1,252,197	\$ (1,992,285)	\$ 49,313,230

In fiscal year 2022, major capital asset additions amounted to \$3,389,341, and depreciation expense amounted to \$4,129,429.

NOTE 7 – COMPENSATED ABSENCES

Changes in compensated absences amounts for the year ended June 30, 2023, were as follows:

Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023	Due Within One Year	Due in More Than One Year
\$ 158,197	\$ 267,799	\$ (157,348)	\$ 268,648	\$ 94,027	\$ 174,621

Changes in compensated absences amounts for the year ended June 30, 2022, were as follows:

Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Due Within One Year	Due in More Than One Year
\$ 261,483	\$ 241,934	\$ (345,220)	\$ 158,197	\$ 55,369	\$ 102,828

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 8 – LOANS PAYABLE

Changes in loans payable amounts for the year ended June 30, 2023, were as follows:

Loans Payable	Balance July 1, 2022	Additions	Deductions	Balance June 30, 2023	Current Portion	Long-term Portion
SRF Loan Payable	\$ 1,957,505	\$ -	\$ (186,739)	\$ 1,770,766	\$ 94,972	\$ 1,675,794
Bank of the West Loan Payable	10,000,000	-	-	10,000,000	-	10,000,000
Total loans payable	<u>\$ 11,957,505</u>	<u>\$ -</u>	<u>\$ (186,739)</u>	<u>\$ 11,770,766</u>	<u>\$ 94,972</u>	<u>\$ 11,675,794</u>

Changes in loans payable amounts for the year ended June 30, 2022, were as follows:

Loans Payable	Balance July 1, 2021	Additions	Deductions	Balance June 30, 2022	Current Portion	Long-term Portion
SRF Loan Payable	\$ 2,140,052	\$ -	\$ (182,547)	\$ 1,957,505	\$ 92,840	\$ 1,864,665
Bank of the West Loan Payable	-	10,000,000	-	10,000,000	-	10,000,000
Total loans payable	<u>\$ 2,140,052</u>	<u>\$ 10,000,000</u>	<u>\$ (182,547)</u>	<u>\$ 11,957,505</u>	<u>\$ 92,840</u>	<u>\$ 11,864,665</u>

2011 State Revolving Fund Loan

In fiscal year 2011, the District and the State of California, Department of Public Health, entered into a contract for a construction loan in the amount of \$3,694,264 under the Safe Drinking Water State Revolving Fund Law of 1977. The purpose of the loan was to assist the District in financing construction of the Trabuco Creek Wells Facility, which will enable the District to meet the State of California's safe drinking water standards. The loan proceeds were disbursed to the District based upon project expenditures submitted. The final construction costs totaled and submitted were \$3,682,316, which was \$11,948 less than the original contracted amount. The loan is scheduled to mature in fiscal year 2032. Principal and interest installments are payable each fiscal year at a rate of 2.2836% on July 1st and January 1st. Annual debt service requirements on the loan are as follows:

Fiscal Year	Principal	Interest	Total
2024	\$ 94,972	\$ 39,353	\$ 134,325
2025	193,209	34,966	228,175
2026	197,647	30,478	228,125
2027	202,186	25,887	228,073
2028	206,829	21,190	228,019
2029-2032	875,923	35,601	911,524
Total	1,770,766	<u>\$ 187,475</u>	<u>\$ 1,958,241</u>
Current	<u>(94,972)</u>		
Long-term	<u>\$ 1,675,794</u>		

2022 – Loan Payable

On February 15, 2022, the District entered into a loan payable agreement of \$10,000,000 with Bank of the West to provide funds for various capital improvement projects. The terms of the agreement provide for interest payable semi-annually on January 1st and July 1st at a rate of 1.45% per annum. The principal of the note is payable on the maturity date of July 1, 2024, or on any date prior. This loan is considered a short-term loan agreement until other financing is secured by the District. No loan amortization schedule is available.

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Summary

The following balances on the balance sheet will be addressed in this footnote as follows:

Description	2023	2022
OPEB related deferred outflows	\$ 652,712	\$ 553,614
Net other post-employment benefits liability(asset)	443,127	(201,692)
OPEB related deferred inflows	314,253	747,880

A. General Information about the OPEB Plan

Plan Description

The District through a single-employer defined benefit plan, offers post-retirement health benefits to eligible employees at retirement as a continuation of the available active medical coverage. An employee is eligible for continuation of medical coverage at retirement provided they are vested in their CalPERS pension benefit and commence payment of their pension benefit upon retirement with the District. Vesting requires at least 5 years of CalPERS eligible service. All employee with at least 5 years of CalPERS service will be eligible to continue coverage if retiring from the District and CalPERS and receive the CalPERS minimum required contribution. Vesting is based on years-of-service increasing 5% per year from 10-years (50%) to 20+years (100%).

Employees Hired Prior to April 1, 2014

The District's financial obligation is to pay for the retiree and eligible dependent coverage up to a monthly maximum which is targeted at the PERS Choice Plan at the family coverage level (currently \$1,914.33). The District's contribution will continue for the lifetime of the retiree and any surviving eligible spouse.

Employees Hired on or After April 1, 2014

The District's contribution is 100% of the coverage level elected by the retiree up to the 100/90 State Annuitant rates multiplied by a vesting schedule (below). 100/90 amount is 100% of the weighted average of single coverage and 90% of the weighted average of the additional premium for two party and family coverage for the 4 PEMHCA plans with the highest State enrollment in the prior year. The 100/90 State Annuitant rates are published each year. The 2022 monthly rates are \$734 single, \$1,398 two-party and \$1,788 family and the 2023 monthly rates are \$767 single, \$1,461 two-party and \$1,868 family.

Employees Covered

As of the June 30, 2022 measurement date, the following current and former employees were covered by the benefit terms under the Plan:

	2022	2021
Inactive plan members or beneficiaries currently receiving benefit payments	9	9
Inactive plan members entitled to but not yet receiving benefit payments	-	-
Active plan members	21	21
Total	30	30

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)

A. General Information about the OPEB Plan (continued)

Funding Policy

The contribution requirements of plan members and the District are established and may be amended by the District and/or the District's Board of Directors. Currently, contributions are not required from plan members. The District has been typically funding this OPEB plan on a pay-as-you-go basis; however, the District has pre-funded contributions to the CERBT OPEB Trust and the District has been requesting reimbursement from the accumulating assets in the OPEB Trust on an annual basis.

Contributions

Benefit provisions and contribution requirements are established and may be amended through agreements and memorandums of understanding between the District and its employees. The plan does not require employee contributions. Administrative costs of this plan are financed by the District. For fiscal year ended June 30, 2022, the measurement period, the District's contributions totaling \$181,103 included \$153,958 in current year premium payments reimbursed by the CERBT OPEB Trust and an implied subsidy of \$27,145.

Accounting for the Plan

The other post-employment benefit trust is prepared using the accrual basis of accounting. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide contributions. Benefits are recognized when due and payable in accordance with the terms of each plan.

Method Used to Value Investments

Investments are reported in the accompanying financial statements at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measure date. Securities for which market quotations are not readily available are valued at their fair value as determined by the custodian with the assistance of a valuation service.

B. Net OPEB Liability

The District's total OPEB liability was measured as of June 30, 2022 and was determined by an actuarial valuation as of June 30, 2022. A summary of the principal assumptions and methods used to determine the total OPEB liability is shown below.

Actuarial Assumptions

The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2021	June 30, 2021
Measurement Date	June 30, 2022	June 30, 2021
Actuarial Cost Method	Entry age normal, level percentage of payroll	Entry age normal, level percentage of payroll
Asset Valuation Method	Market value of assets as of the measurement date	Market value of assets as of the measurement date
Actuarial Assumptions:		
Discount Rate	6.75%	6.75%
Long-Term Expected		
Rate of Return on Investments	6.75%	6.75%
Inflation	2.50%	2.50%
Payroll increases	2.75%	2.75%
Healthcare Trend Rates	6.50% trending down 0.25% annually to 4.50% in 2029+	6.50% trending down 0.25% annually to 4.50% in 2029+
Morbidity	Healthy Actives and Retirees: SOA Pub-2010 Scale MP-2019	Healthy Actives and Retirees: SOA Pub-2010 Scale MP-2019
Mortality	Healthy Actives and Retirees: SOA Pub-2010 Scale MP-2019	Healthy Actives and Retirees: SOA Pub-2010 Scale MP-2019
Disability	Not Valued	Not Valued
Retirement	CalPERS Public Agency Miscellaneous 2.5% @55 and 2% @62	CalPERS Public Agency Miscellaneous 2.5% @55 and 2% @62
Percent Married	85% of future retirees would enroll a spouse	85% of future retirees would enroll a spouse

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)

B. Net OPEB Liability (continued)

Actuarial Assumptions (continued)

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of the arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
CERBT:		
Global Equities	59.00%	5.50%
Global Debt Securities	25.00%	2.35%
Inflation Assets	5.00%	1.50%
REITs	8.00%	3.65%
Commodities	3.00%	1.75%
Total	100.00%	

Discount Rate

The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that the City's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

C. Changes in the Net OPEB Liability/(Asset)

The changes in the total OPEB liability for June 30, 2023, were as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2022 (Measurement date June 30, 2021)	\$ 3,386,041	\$ 3,587,733	\$ (201,692)
Changes for the year:			
Service cost	97,230	-	97,230
Interest	226,428	-	226,428
Differences in experience	-	-	-
Changes in assumption	-	-	-
Employer contributions	-	-	-
Net investment income	-	242,141	(242,141)
Investment gains and losses	-	(722,615)	722,615
Employer contributions as benefit payments	-	160,346	(160,346)
Benefit payments	(160,346)	(160,346)	-
Administrative expenses	-	(1,033)	1,033
Net changes	163,312	(481,507)	644,819
Balance at June 30, 2023 (Measurement date June 30, 2022)	\$ 3,549,353	\$ 3,106,226	\$ 443,127

TRABUCO CANYON WATER DISTRICT*Notes to Financial Statements**June 30, 2023 and 2022***NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)****C. Changes in the Net OPEB Liability/(Asset) (continued)**

The changes in the total OPEB liability for June 30, 2022, were as follows:

	Increase (Decrease)		
	Total	Plan Fiduciary	Net OPEB
	OPEB Liability	Net Position	Liability/(Asset)
Balance at June 30, 2021 (Measurement date June 30, 2020)	\$ 3,086,116	\$ 2,729,526	\$ 356,590
Changes for the year:			
Service cost	105,855	-	105,855
Interest	216,193	-	216,193
Differences in experience	305,472	-	305,472
Changes in assumption	(226,454)	-	(226,454)
Employer contributions	-	108,754	(108,754)
Net investment income	-	194,837	(194,837)
Investment gains and losses	-	555,649	(555,649)
Employer contributions as benefit payments	-	117,348	(117,348)
Benefit payments	(117,348)	(117,348)	-
Administrative expenses	16,207	(1,033)	17,240
Net changes	299,925	858,207	(558,282)
Balance at June 30, 2022 (Measurement date June 30, 2021)	\$ 3,386,041	\$ 3,587,733	\$ (201,692)

Subsequent Events

There were no subsequent events that would materially affect the results presented in this disclosure.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability/(asset) of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1 percentage point higher than the current discount rate:

Sensitivity of the Net OPEB liability(asset) to changes in the discount rate for the fiscal year ended June 30, 2023:

1% Decrease	Discount Rate	1% Increase
5.75%	6.75%	7.75%
<u>\$ 855,941</u>	<u>\$ 443,127</u>	<u>\$ 96,906</u>

Sensitivity of the Net OPEB liability(asset) to changes in the discount rate for the fiscal year ended June 30, 2022:

1% Decrease	Discount Rate	1% Increase
5.75%	6.75%	7.75%
<u>\$ 196,265</u>	<u>\$ (201,692)</u>	<u>\$ (535,503)</u>

TRABUCO CANYON WATER DISTRICT*Notes to Financial Statements**June 30, 2023 and 2022***NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)****C. Changes in the Net OPEB Liability (continued)****Sensitivity of the Total OPEB Liability to Changes in Medical Trend Rates**

The following presents the total OPEB liability/(asset) of the District, as well as what the District's total OPEB liability would be if it were calculated using medical trend rates that are 1-percentage point lower:

Sensitivity of the Net OPEB liability(asset) to changes in the healthcare trend rate for June 30, 2023:

Healthcare Cost		
5.5% Decreasing to 3.5%	6.5% Decreasing to 4.5%	7.5% Decreasing to 5.5%
<u>\$ 7,703</u>	<u>\$ 443,127</u>	<u>\$ 976,193</u>

Sensitivity of the Net OPEB liability(asset) to changes in the healthcare trend rate for June 30, 2022:

Healthcare Cost		
5.5% Decreasing to 3.5%	6.5% Decreasing to 4.5%	7.5% Decreasing to 5.5%
<u>\$ (591,896)</u>	<u>\$ (201,692)</u>	<u>\$ 274,113</u>

D. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2023, and 2022, the District recognized OPEB expense of \$139,112 and \$29,615, respectively.

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<u>Account Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
OPEB contributions made after the measurement date	\$ 27,145	\$ -
Changes in assumptions	-	(231,792)
Differences between expected and actual experience	340,981	(82,460)
Differences between projected and actual earnings on OPEB plan investments	284,586	-
Total Deferred Outflows/(Inflows) of Resources	<u>\$ 652,712</u>	<u>\$ (314,252)</u>

TRABUCO CANYON WATER DISTRICT*Notes to Financial Statements**June 30, 2023 and 2022***NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)****D. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (continued)**

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<u>Account Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
OPEB contributions made after the measurement date	\$ 160,346	\$ -
Changes in assumptions	-	(266,950)
Differences between expected and actual experience	393,268	(96,203)
Differences between projected and actual earnings on OPEB plan investments	-	(384,727)
Total Deferred Outflows/(Inflows) of Resources	\$ 553,614	\$ (747,880)

The differences between projected and actual earnings on plan investments is amortized over five years. The District reported \$27,145 and \$160,346 in 2023 and 2022, respectively, as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2024, and 2023, respectively.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense in fiscal year 2024 as follows:

<u>Amortization Period Fiscal Year Ended June 30</u>	<u>Deferred Outflows/(Inflows) of Resources</u>
2024	\$ 58,778
2025	54,661
2026	36,799
2027	147,908
2028	3,387
Thereafter	9,802
Total	\$ 311,335

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense in fiscal year 2023 as follows:

<u>Amortization Period Fiscal Year Ended June 30</u>	<u>Deferred Outflows/(Inflows) of Resources</u>
2023	\$ (87,837)
2024	(85,745)
2025	(89,862)
2026	(107,744)
2027	3,385
Thereafter	13,191
Total	\$ (354,612)

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 10 – PENSION PLAN

Summary

The following balances on the balance sheet will be addressed in this footnote as follows:

Description	2023	2022
Pension related deferred outflows	\$ 1,855,293	\$ 858,230
Net pension liability	3,804,298	1,597,778
Pension related deferred inflows	251,860	1,530,944

Qualified employees are covered under a multiple-employer defined benefit pension plan maintained by agencies of the State of California known as the California Public Employees' Retirement System (CalPERS), or "The Plan".

A. General Information about the Pension Plan

The Plan

The District has engaged with CalPERS to administer the following pension plans for its employees (members):

	Miscellaneous Plans	
	Classic Tier 1	PEPRA Tier 2
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2.5% @ 55	2.0% @ 62
Benefit vesting schedule	5-years of service	5-years of service
Benefits payments	monthly for life	monthly for life
Retirement age	50 - 67 & up	52 - 67 & up
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.0% to 2.0%
Required member contribution rates	8.000%	6.750%
Required employer contribution rates – FY 2022	13.300%	7.540%
Required employer contribution rates – FY 2021	13.457%	7.686%

Plan Description

The District contributes to the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer defined benefit pension plan. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. A full description of the pension plan, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the June 30, 2022 Annual Actuarial Valuation Reports. This report and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website www.calpers.ca.gov under Forms and Publications

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 10 – PENSION PLAN (continued)

A. General Information about the Pension Plan (continued)

At June 30, 2022 measurement date, the following members were covered by the benefit terms:

Plan Members	Miscellaneous Plans		Total
	Classic Tier 1	PEPRA Tier 2	
Active members	10	10	20
Transferred and terminated members	25	7	32
Retired members and beneficiaries	15	-	15
Total plan members	50	17	67

At June 30, 2021 measurement date, the following members were covered by the benefit terms:

Plan Members	Miscellaneous Plans		Total
	Classic Tier 1	PEPRA Tier 2	
Active members	12	11	23
Transferred and terminated members	26	6	32
Retired members and beneficiaries	13	-	13
Total plan members	51	17	68

All qualified permanent and probationary employees are eligible to participate in the District's cost-sharing multiple-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by state statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to Plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for nonindustrial disability benefits after five years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each Plan are applied as specified by the Public Employees' Retirement Law.

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 10 – PENSION PLAN (continued)

A. General Information about the Pension Plan (continued)

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

Contributions for the year ended June 30, 2023, were as follows:

Contribution Type	Miscellaneous Plans		Total
	Classic Tier 1	PEPRA Tier 2	
Contributions – employer	\$ 475,189	\$ 66,359	\$ 541,548

Contributions for the year ended June 30, 2022, were as follows:

Contribution Type	Miscellaneous Plans		Total
	Classic Tier 1	PEPRA Tier 2	
Contributions – employer	\$ 432,284	\$ 55,519	\$ 487,803

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

Proportionate Share of Net Pension Liability and Pension Expense

The District's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2022, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021, rolled forward to June 30, 2022, using standard update procedures. The District's proportionate share of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

TRABUCO CANYON WATER DISTRICT*Notes to Financial Statements**June 30, 2023 and 2022***NOTE 10 – PENSION PLAN (continued)****B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)****Proportionate Share of Net Pension Liability and Pension Expense (continued)**

The following table shows the District's proportionate share of the risk pool collective net pension liability over the measurement period for the Miscellaneous Plan for the fiscal year ended June 30, 2023:

	Percentage Share of Risk Pool		Change Increase/ (Decrease)
	Fiscal Year Ending June 30, 2023	Fiscal Year Ending June 30, 2022	
Measurement Date	June 30, 2022	June 30, 2021	
Percentage of Risk Pool Net Pension Liability	0.081302%	0.084147%	-0.002845%
Percentage of Plan Net Pension Liability	0.032935%	0.029543%	0.003392%

The following table shows the District's proportionate share of the risk pool collective net pension liability over the measurement period for the Miscellaneous Plan for the fiscal year ended June 30, 2022:

	Percentage Share of Risk Pool		Change Increase/ (Decrease)
	Fiscal Year Ending June 30, 2022	Fiscal Year Ending June 30, 2021	
Measurement Date	June 30, 2021	June 30, 2020	
Percentage of Risk Pool Net Pension Liability	0.084147%	0.080601%	0.003546%
Percentage of Plan Net Pension Liability	0.029543%	0.031247%	-0.001704%

The District's proportionate share percentage of the net pension liability for the June 30, 2022, measurement date was as follows:

Plan Type and Balance Descriptions	Plan Total Pension Liability	Plan Fiduciary Net Position	Change in Plan Net Pension Liability
CalPERS – Miscellaneous Plan:			
Balance as of June 30, 2021 (Measurement Date)	\$ 14,596,115	\$ 12,998,337	\$ 1,597,778
Balance as of June 30, 2022 (Measurement Date)	\$ 16,370,562	\$ 12,566,264	\$ 3,804,298
Change in Plan Net Pension Liability	\$ 1,774,447	\$ (432,073)	\$ 2,206,520

The District's proportionate share percentage of the net pension liability for the June 30, 2021, measurement date was as follows:

Plan Type and Balance Descriptions	Plan Total Pension Liability	Plan Fiduciary Net Position	Change in Plan Net Pension Liability
CalPERS – Miscellaneous Plan:			
Balance as of June 30, 2020 (Measurement Date)	\$ 13,700,289	\$ 10,300,474	\$ 3,399,815
Balance as of June 30, 2021 (Measurement Date)	\$ 14,596,115	\$ 12,998,337	\$ 1,597,778
Change in Plan Net Pension Liability	\$ 895,826	\$ 2,697,863	\$ (1,802,037)

TRABUCO CANYON WATER DISTRICT*Notes to Financial Statements**June 30, 2023 and 2022***NOTE 10 – PENSION PLAN (continued)****B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)****Proportionate Share of Net Pension Liability and Pension Expense (continued)**

For the fiscal year ended June 30, 2023, the District recognized pension expense of \$471,920. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Account Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions made after the measurement date	\$ 541,548	\$ -
Difference between actual and proportionate share of employer contributions	90,813	(128,780)
Adjustment due to differences in proportions	59,860	(71,912)
Differences between expected and actual experience	76,398	(51,168)
Differences between projected and actual earnings on pension plan investments	696,846	-
Changes in assumptions	389,830	-
Total Deferred Outflows/(Inflows) of Resources	\$ 1,855,295	\$ (251,860)

For the fiscal year ended June 30, 2022, the District recognized pension expense of \$359,022. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Account Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions made after the measurement date	\$ 487,803	\$ -
Difference between actual and proportionate share of employer contributions	144,232	(21,955)
Adjustment due to differences in proportions	47,022	(114,213)
Differences between expected and actual experience	179,174	-
Differences between projected and actual earnings on pension plan investments	-	(1,394,775)
Changes in assumptions	-	-
Total Deferred Outflows/(Inflows) of Resources	\$ 858,231	\$ (1,530,943)

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 10 – PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Proportionate Share of Net Pension Liability and Pension Expense (continued)

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period. The deferred outflows/(inflows) of resources related to the net change in proportionate share of net pension liability, changes of assumptions, and differences between expected and actual experience in the measurement of the total pension liability will be amortized over the Expected Average Remaining Service Life (EARS�) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARS� for the measurement period is 3.8 years.

An amount of \$541,548 and \$487,803 for 2023, and 2022, respectively, were reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the years ending June 30, 2024 and 2023, respectively.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions at June 30, 2023 will be recognized as a reduction to pension expense as follows:

Amortization Period	Deferred
Fiscal Year Ended June 30	Outflows/(Inflows)
	of Resources
2024	\$ 279,333
2025	234,148
2026	122,190
2027	426,215
Total	\$ 1,061,886

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions at June 30, 2022 will be recognized as a reduction to pension expense as follows:

Amortization Period	Deferred
Fiscal Year Ended June 30	Outflows/(Inflows)
	of Resources
2023	\$ (221,163)
2024	(253,734)
2025	(300,175)
2026	(385,443)
Total	\$ (1,160,515)

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 10 – PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ending June 30, 2022 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2021, total pension liability. The June 30, 2022, total pension liability was based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirement of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds.
Post Retirement Benefit Increase	Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.30% thereafter

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points.

The table below reflects long-term expected real rate of return by asset class.

Investment Type	Assumed asset allocation	Real Return ^{1,2}
Global Equity - Cap-weighted	30.0%	4.54%
Global Equity - Non-Cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.05%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Estate	15.0%	3.21%
Leverage	-5.0%	-0.59%
	<u>100.0%</u>	

¹ An expected inflation of 2.3% is used for this period.

² Figures are based on the 2021 Asset Liability Management study.

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 10 – PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Subsequent Events

On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020 21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions will be reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability/(asset) of the Plan as of the measurement date, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90%) or 1 percentage-point higher (7.90%) than the current rate:

Changes in the discount rate for the year ended June 30, 2023, was as follows:

Plan Type	Plan's Net Pension Liability/(Asset)		
	Discount Rate -		Discount Rate +
	1% 5.90%	Current Discount Rate 6.90%	1% 7.90%
CalPERS – Miscellaneous Plan	\$ 6,035,901	\$ 3,804,298	\$ 1,968,243

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 10 – PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Changes in the discount rate for the year ended June 30, 2022, was as follows:

Plan Type	Plan's Net Pension Liability/(Asset)		
	Discount Rate -		Discount Rate +
	1% 6.15%	Current Discount Rate 7.15%	1% 8.15%
CalPERS – Miscellaneous Plan	\$ 3,524,916	\$ 1,597,778	\$ 4,640

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial report and can be obtained from CalPERS' website under Forms and Publications.

NOTE 11 – NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets consisted of the following as of June 30:

Description	June 30, 2023	June 30, 2022
Net investment in capital assets:		
Capital assets – not being depreciated	\$ 4,816,815	\$ 3,630,311
Capital assets, net – being depreciated	44,800,424	45,682,919
Loans payable – current portion	(94,972)	(92,840)
Loans payable – non-current portion	(11,675,794)	(11,864,665)
Unspent proceeds from loan issuance (Note 3)	3,071,602	7,261,576
Total net investment in capital assets	\$ 40,918,075	\$ 44,617,301

NOTE 12 – NET POSITION – UNRESTRICTED (DEFICIT)

As of June 30, 2023 and 2022, the District had an unrestricted net position deficit of (\$1,169,004) and (\$3,210,234), respectively. Due to the nature of the deficit from the implementation of GASB Statements No. 68 (net pension liability) and No. 75 (net OPEB liability) in the prior fiscal years, the District will continue to make its actuarial determined contributions to CalPERS and annually review its outstanding net pension and net OPEB liability funding requirements for future periods to reduce its deficit position.

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 13 – DEFERRED COMPENSATION SAVINGS PLAN

For the benefit of its employees, the District participates in two 457 Deferred Compensation Programs (Programs). The purpose of these Programs is to provide deferred compensation for public employees that elect to participate in the Programs. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death, or unforeseeable emergency. Until the funds are paid or otherwise made available to the employee, the employee is not obligated to report the deferred salary for income tax purposes.

Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of the participants. Accordingly, the District is in compliance with this legislation. Therefore, these assets are not the legal property of the District, and are not subject to claims of the District's general creditors.

The District has implemented GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Since the District has little administrative involvement and does not perform the investing function for this plan, the assets and related liabilities are not shown on the accompanying financial statements.

NOTE 14 – RISK MANAGEMENT POOL

The District is a member of the Association of California Water Agencies Joint Powers Insurance Authority (Insurance Authority). The Insurance Authority is a risk-pooling and self-insurance authority, created under provisions of California Government Code Sections 6500 et seq. The purpose of the Insurance Authority is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage. Further information about the Insurance Authority is as follows:

A. Entity	ACWA-JPIA
B. Purpose	To pool member contributions and realize the advantages of self-insurance
C. Participants	As of September 30, 2022 – 396 member districts
D. Governing board	Nine representatives employed by members
E. Condensed financial information	September 30, 2022
Audit signed	February 7, 2023
Statement of financial position:	Sept 30, 2022
Total assets	<u>\$ 246,615,214</u>
Deferred outflows	<u>6,108,562</u>
Total liabilities	<u>137,126,606</u>
Deferred inflows	<u>2,813,249</u>
Net position	<u><u>\$ 112,783,921</u></u>
Statement of revenues, expenses and changes in net position:	
Total revenues	\$ 175,619,417
Total expenses	<u>(212,646,028)</u>
Change in net position	(37,026,611)
Beginning – net position	<u>149,810,532</u>
Ending – net position	<u><u>\$ 112,783,921</u></u>
F. Member agencies share of year-end financial position	Not Calculated

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 14 – RISK MANAGEMENT POOL (continued)

The District participated in the self-insurance programs of the Insurance Authority as follows:

Property Loss - The Insurance Authority has pooled self-insurance up to \$100,000 per occurrence and has purchased excess insurance coverage up to \$500,000,000 (total insurable value of \$48,405,017). The District has a \$2,500 deductible for buildings, personal property and fixed equipment, a \$25,000/\$50,000 deductible for accidental mechanical breakdown, a \$1,000 deductible for mobile equipment, and a \$500 deductible for licensed vehicles.

General Liability - The Insurance Authority has pooled self-insurance up to \$5,000,000 per occurrence and has purchased excess insurance coverage in layers up to of \$60,000,000. This program does not have a deductible.

Auto Liability - The Insurance Authority has pooled self-insurance up to \$5,000,000 per occurrence and has purchased excess insurance coverage in layers up to \$60,000,000. This program does not have a deductible.
Public Officials' Liability - The Insurance Authority has pooled self-insurance up to \$5,000,000 per occurrence and has purchased excess insurance coverage in layers up to \$60,000,000.

Cyber Liability - The Insurance Authority has purchased insurance coverage of \$3,000,000 per occurrence/\$5,000,000 aggregate. This program does not have a deductible.

Crime - The Insurance Authority has pooled self-insurance up to \$100,000 per occurrence. The District has a \$1,000 deductible.

Public Official Bond - The District has purchased a \$200,000 bond to cover the general manager's faithful performance of duty.

Workers' Compensation - The Insurance Authority is self-insured up to \$2,000,000 and excess insurance coverage has been purchased up to the statutory limit for workers' compensation coverage. The Insurance Authority is self-insurance up to \$2,000,000 and has purchased excess insurance coverage of \$2,000,000 for employer's liability coverage.

Underground Storage Tank Pollution Liability - The Insurance Authority is self-insured up to \$500,000 per occurrence and has purchased excess coverage of \$3,000,000. The District has a \$10,000 deductible.

The District pays annual premiums for these coverages. They are subject to retrospective adjustments based on claims expended. The nature and amount of these adjustments cannot be estimated and are charged to expenses as invoiced. There were no instances in the past three years where a settlement exceeded the District's coverage.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years and there were no reductions in the District's insurance coverage during the years ending June 30, 2023, 2022, and 2021. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There were no IBNR claims payable as of June 30, 2023, 2022, and 2021.

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2023 and 2022

NOTE 15 – COMMITMENTS AND CONTINGENCIES

Economic Dependency

The District purchases a majority of its source of supply from the Santiago Aqueduct Commission. Interruption of this source would impact the District negatively.

Excluded Leases – Short-Term Leases and De Minimis Leases

The District does not recognize a lease receivable and a deferred inflow of resources for short-term leases. Short-term leases are certain leases that have a maximum possible term under the lease contract of 12-months (or less), including any options to extend, regardless of their probability of being exercised.

Also, *de minimis* lessor or lessee leases are certain leases (i.e., room rental, copiers, printers, postage machines) that regardless of their lease contract period are *de minimis* with regards to their aggregate total dollar amount to the financial statements as a whole.

Grant Awards

Grant funds received by the District are subject to audit by the grantor agencies. Such audit could lead to requests for reimbursements to the grantor agencies for expenditures disallowed under terms of the grant. Management of the District believes that such disallowances, if any, would not be significant.

Construction Contracts

The District has a variety of agreements with private parties relating to the installation, improvement or modification of water and wastewater facilities and distribution systems within its service area. The financing of such construction contracts is being provided primarily from the District's replacement reserves and capital contributions.

Litigation

In the ordinary course of operations, the District is subject to claims and litigation from outside parties. After consultation with legal counsel, the District believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

NOTE 16 – SUBSEQUENT EVENTS

The District has evaluated subsequent events through December 21, 2023, the date which the financial statements were available to be issued.

Required Supplementary Information

TRABUCO CANYON WATER DISTRICT*Schedule of the District's Proportionate Share of the Net Pension Liability
For the Years Ended June 30, 2023 and 2022***Last Ten Fiscal Years*****California Public Employees' Retirement System (CalPERS) Miscellaneous Plan**

Measurement Date	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability
June 30, 2014	0.024334%	\$ 1,514,199	\$ 1,619,883	93.48%	83.03%
June 30, 2015	0.029498%	2,024,702	1,659,539	122.00%	76.75%
June 30, 2016	0.028990%	2,508,531	1,602,525	156.54%	72.83%
June 30, 2017	0.295680%	2,932,288	1,688,233	173.69%	72.81%
June 30, 2018	0.030022%	2,892,988	1,537,659	188.14%	73.98%
June 30, 2019	0.030748%	3,150,747	1,695,414	185.84%	73.12%
June 30, 2020	0.031247%	3,399,815	2,011,870	168.99%	75.18%
June 30, 2021	0.029543%	1,597,778	2,133,046	74.91%	89.05%
June 30, 2022	0.032935%	3,804,298	2,185,024	174.11%	76.76%

Notes to Schedule:**Benefit Changes:**

There were no changes in benefits.

Changes in Assumptions:**From fiscal year June 30, 2015 and June 30, 2016:**

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014, measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015, measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2016 to June 30, 2017:

There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.65% to 7.15%.

From fiscal year June 30, 2018 to June 30, 2019:

There were no significant changes in assumptions.

From fiscal year June 30, 2019 to June 30, 2020:

There were no significant changes in assumptions.

From fiscal year June 30, 2020 to June 30, 2021:

There were no significant changes in assumptions.

From fiscal year June 30, 2021 to June 30, 2022:

There were no significant changes in assumptions.

From fiscal year June 30, 2022 to June 30, 2023:

The discount rate was reduced to 6.90% and inflation rate to 2.30%.

*Fiscal year 2014 was the first measurement date year of implementation; therefore, only nine years are shown. Certain amounts have been updated per the 2020 CalPERS Actuarial Valuations

TRABUCO CANYON WATER DISTRICT

Schedule of the District's Contributions to the Defined Benefit Pension Plan For the Years Ended June 30, 2023 and 2022

Last Ten Fiscal Years*

California Public Employees' Retirement System (CalPERS) Miscellaneous Plan

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2015	265,436	(265,436)	-	1,659,539	15.99%
June 30, 2016	264,450	(264,450)	-	1,602,525	16.50%
June 30, 2017	278,521	(278,521)	-	1,688,233	16.50%
June 30, 2018	301,990	(301,990)	-	1,537,659	19.64%
June 30, 2019	347,954	(347,954)	-	1,695,414	20.52%
June 30, 2020	417,043	(417,043)	-	2,011,870	20.73%
June 30, 2021	469,516	(708,896)	(239,380)	2,133,046	22.01%
June 30, 2022	487,803	(487,803)	-	2,185,024	22.32%
June 30, 2023	541,548	(541,548)	-	2,383,857	22.72%

Notes to Schedule:

Fiscal Year	Valuation Date	Actuarial Cost Method	Asset Valuation Method	Inflation	Investment Rate of Return
June 30, 2015	June 30, 2012	Entry Age	Fair Value	2.75%	7.65%
June 30, 2016	June 30, 2013	Entry Age	Fair Value	2.75%	7.65%
June 30, 2017	June 30, 2014	Entry Age	Fair Value	2.75%	7.65%
June 30, 2018	June 30, 2015	Entry Age	Fair Value	2.75%	7.15%
June 30, 2019	June 30, 2016	Entry Age	Fair Value	2.50%	7.15%
June 30, 2020	June 30, 2017	Entry Age	Fair Value	2.50%	7.15%
June 30, 2021	June 30, 2018	Entry Age	Fair Value	2.50%	7.15%
June 30, 2022	June 30, 2019	Entry Age	Fair Value	2.50%	7.15%
June 30, 2023	June 30, 2020	Entry Age	Fair Value	2.30%	6.90%

Amortization Method

Level percentage of payroll, closed

Salary Increases

Depending on age, service, and type of employment

Investment Rate of Return

Net of pension plan investment expense, including inflation

Retirement Age

50 years (2.5%@55), 52 years (2.0%@62)

Mortality

Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

*Fiscal year 2014 was the first measurement date year of implementation; therefore, only nine years are shown.
Certain amounts have been updated per the 2020 CalPERS Actuarial Valuations

TRABUCO CANYON WATER DISTRICT

Schedule of Changes in the District's Net OPEB Liability and Related Ratios For the Years Ended June 30, 2023 and 2022

Fiscal Year Ended	Last Ten Fiscal Years*					
	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Measurement Date	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Total OPEB liability:						
Service cost	\$ 97,230	\$ 105,855	\$ 103,022	\$ 101,477	\$ 98,521	\$ 92,077
Interest	226,428	216,193	213,932	195,787	181,652	167,849
Changes of assumptions	-	(226,454)	-	(97,270)	-	-
Differences between expected and actual experience	-	305,472	(123,689)	159,266	-	-
Changes of benefit terms	-	-	-	-	-	-
Benefit payments	(160,346)	(117,348)	(118,587)	(86,591)	(75,817)	(62,564)
Administrative expense	-	16,207	-	-	-	-
Net change in total OPEB liability	163,312	299,925	74,678	272,669	204,356	197,362
Total OPEB liability - beginning	3,386,041	3,086,116	3,011,438	2,738,769	2,534,413	2,337,051
Total OPEB liability - ending	3,549,353	3,386,041	3,086,116	3,011,438	2,738,769	2,534,413
Plan fiduciary net position:						
Contributions - employer	-	108,754	281,864	259,180	245,243	175,489
Net investment income	242,141	194,837	89,611	137,226	146,228	168,197
Investment gains and losses	(722,615)	555,649	-	-	-	-
Employer contributions as benefit payments	160,346	117,348	-	-	-	-
Administrative expense	(1,033)	(1,033)	(1,213)	(467)	(993)	(852)
Other expense	-	-	-	-	(2,457)	-
Benefit payments	(160,346)	(117,348)	(118,587)	(86,591)	(75,817)	(62,564)
Net change in plan fiduciary net position	(481,507)	858,207	251,676	309,348	312,204	280,270
Plan fiduciary net position - beginning	3,587,733	2,729,526	2,477,850	2,168,502	1,856,298	1,576,028
Plan fiduciary net position - ending	3,106,226	3,587,733	2,729,526	2,477,850	2,168,502	1,856,298
District's net OPEB liability	\$ 443,127	\$ (201,692)	\$ 356,590	\$ 533,588	\$ 570,267	\$ 678,115
Plan fiduciary net position as a percentage of the total OPEB liability	87.52%	105.96%	88.45%	82.28%	79.18%	73.24%
Covered payroll	2,383,857	2,133,046	1,753,930	1,706,988	1,668,352	1,668,352
District's net OPEB liability as a percentage of covered payroll	18.59%	-9.46%	20.33%	31.26%	34.18%	40.65%

Notes to Schedule:

Benefit Changes:

Measurement Date June 30, 2017 – There were no changes in benefits
Measurement Date June 30, 2018 – There were no changes in benefits
Measurement Date June 30, 2019 – There were no changes in benefits
Measurement Date June 30, 2020 – There were no changes in benefits
Measurement Date June 30, 2021 – There were no changes in benefits
Measurement Date June 30, 2022 – There were no changes in benefits

Changes in Assumptions:

Measurement Date June 30, 2017 – There were no changes in assumptions
Measurement Date June 30, 2018 – There were no changes in assumptions
Measurement Date June 30, 2019 – Inflation decreased to 2.50% and payroll increases include merit increases
Measurement Date June 30, 2020 – Inflation increased to 2.75%
Measurement Date June 30, 2021 – Discount rate decreased to 6.75% and inflation decreased to 2.50%
Measurement Date June 30, 2022 – There were no changes in assumptions

* Fiscal year 2018 was the first year of implementation; therefore, only six years are shown.

TRABUCO CANYON WATER DISTRICT

Schedule of the District Contributions to the Other Post-Employment Benefits (OPEB) Plan For the Years Ended June 30, 2023 and 2022

Fiscal Year Ended	Last Ten Fiscal Years*					
	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Actuarially determined contribution	\$ 108,754	\$ 108,754	\$ 166,309	\$ 172,589	\$ 169,426	\$ 175,489
Contributions in relation to the actuarially determined contributions	(108,754)	(108,754)	(281,864)	(259,180)	(245,243)	(175,489)
Contribution deficiency (excess)	\$ -	\$ -	\$ (115,555)	\$ (86,591)	\$ (75,817)	\$ -
Covered payroll	\$ 2,133,046	\$ 2,133,046	\$ 1,753,930	\$ 1,706,930	\$ 1,668,352	\$ 1,668,352
Contributions as a percentage of covered payroll	5.10%	5.10%	16.07%	15.18%	14.70%	10.52%

Notes to Schedule:

Valuation Date	June 30, 2021	June 30, 2021	June 30, 2019	June 30, 2019	June 30, 2017	June 30, 2017
Methods and Assumptions Used to Determine Contribution Rates:						
Actuarial cost method Entry age normal	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method Closed period, level percent of pay	(1)	(1)	(1)	(1)	(1)	(1)
Amortization period	20-years	20-years	20-years	20-years	20-years	20-years
Asset valuation method	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Discount rate	6.75%	6.75%	7.00%	7.00%	7.00%	7.00%
Inflation	2.75%	2.75%	2.75%	2.50%	2.75%	2.75%
Payroll increases	2.75%+Merit	2.75%+Merit	2.75%+Merit	2.75%+Merit	3.00%	3.00%
Mortality	(2)	(2)	(2)	(2)	(2)	(2)
Morbidity	(3)	(3)	(3)	(3)	(3)	(3)
Disability	Not Valued	Not Valued	Not Valued	Not Valued	Not Valued	Not Valued
Retirement	(4)	(4)	(4)	(4)	(4)	(4)
Percent Married	85%	85%	85%	85%	85%	85%
Healthcare trend rates	(5)	(5)	(5)	(5)	(5)	(5)

(1) Closed period, level percent of pay

(2) Healthy Actives and Retirees: SOA Pub-2010 Scale MP-2019

(3) Healthy Actives and Retirees: SOA Pub-2010 Scale MP-2019

(4) CalPERS Public Agency Miscellaneous 2.5% @55 and 2% @62

(5) 6.50% trending down 0.25% annually to 4.50% in 2029+

Supplementary Information

TRABUCO CANYON WATER DISTRICT
Balance Sheets – Combined – Internal Funds
June 30, 2023 (With Comparative Amounts as of June 30, 2022)

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	Water	Sewer	Recycled Water	Reclaimed Water	2023	2022
Current assets:						
Cash and cash equivalents	\$ 1,598,434	\$ (112,475)	\$ (1,211,857)	\$ 548,110	\$ 822,212	\$ 200,527
Accrued interest receivable	-	3,011	1,339	1,339	5,689	4,271
Accounts receivable, net	1,410,276	336,105	31,716	99,228	1,877,325	1,177,530
Accounts receivable - due from other governments	-	-	-	-	-	-
Lease receivable	28,631	-	-	-	28,631	27,195
Other receivables	659,369	122,404	10,571	7,011	799,355	311,459
Prepaid expenses	37,758	36,487	15,250	15,251	104,746	95,147
Total current assets	3,734,468	385,532	(1,152,981)	670,939	3,637,958	1,816,129
Non-current assets:						
Restricted – cash and cash equivalents	5,026,831	1,904,439	-	-	6,931,270	12,535,603
Restricted - accrued interest receivable	2,362	23,430	-	-	25,792	18,343
Lease receivable	61,793	-	-	-	61,793	90,424
Net OPEB asset	-	-	-	-	-	201,692
Capital assets – not being depreciated	2,578,217	2,059,652	89,473	89,473	4,816,815	3,630,311
Capital assets – being depreciated, net	25,752,531	15,036,680	2,771,966	1,239,247	44,800,424	45,682,919
Total non-current assets	33,421,734	19,024,201	2,861,439	1,328,720	56,636,094	62,159,292
Total assets	37,156,202	19,409,733	1,708,458	1,999,659	60,274,052	63,975,421
Deferred outflows of resources:						
Deferred amounts related to net OPEB obligation	456,897	163,179	16,318	16,318	652,712	553,614
Deferred amounts related to net pension liability	1,298,704	463,823	46,383	46,383	1,855,293	858,230
Total deferred outflows of resources	1,755,601	627,002	62,701	62,701	2,508,005	1,411,844
Total assets and deferred outflows of resources	\$ 38,911,803	\$ 20,036,735	\$ 1,771,159	\$ 2,062,360	\$ 62,782,057	\$ 65,387,265
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION						
Current liabilities:						
Accounts payable and accrued expenses	\$ 1,301,117	\$ 650,409	\$ 52,747	\$ 46,115	\$ 2,050,388	\$ 2,402,684
Deposits and unearned revenues	54,130	107,960	452	452	162,994	184,584
Long-term liabilities – due within one year:						
Compensated absences	65,503	23,334	2,595	2,595	94,027	55,369
Loans payable	94,972	-	-	-	94,972	92,840
Total current liabilities	1,515,722	781,703	55,794	49,162	2,402,381	2,735,477
Non-current liabilities:						
Long-term liabilities – due in more than one year:						
Compensated absences	121,649	43,336	4,818	4,818	174,621	102,828
Loans payable	8,675,794	2,500,000	250,000	250,000	11,675,794	11,864,665
Net OPEB obligation	310,190	110,781	11,078	11,078	443,127	-
Net pension liability	2,663,009	951,075	95,107	95,107	3,804,298	1,597,778
Total non-current liabilities	11,770,642	3,605,192	361,003	361,003	16,097,840	13,565,271
Total liabilities	13,286,364	4,386,895	416,797	410,165	18,500,221	16,300,748
Deferred inflows of resources:						
Deferred amounts related to leases	81,192	-	-	-	81,192	108,256
Deferred amounts related to net OPEB obligation	219,977	78,564	7,856	7,856	314,253	747,880
Deferred amounts related to net pension liability	176,302	62,964	6,297	6,297	251,860	1,530,944
Total deferred inflows of resources	477,471	141,528	14,153	14,153	647,305	2,387,080
Net position:						
Net investment in capital assets	20,765,388	16,462,528	2,611,439	1,078,720	40,918,075	44,617,301
Restricted for capital improvements	3,823,787	61,673	-	-	3,885,460	5,292,370
Unrestricted	558,793	(1,015,889)	(1,271,230)	559,322	(1,169,004)	(3,210,234)
Total net position	25,147,968	15,508,312	1,340,209	1,638,042	43,634,531	46,699,437
Total liabilities, deferred inflows of resources and net position	\$ 38,911,803	\$ 20,036,735	\$ 1,771,159	\$ 2,062,360	\$ 62,782,057	\$ 65,387,265

TRABUCO CANYON WATER DISTRICT

Schedule of Revenues, Expenses and Changes in Net Position – Combined – Internal Funds For the Year Ended June 30, 2023 (With Comparative Amounts as of June 30, 2022)

	Water	Sewer	Recycled Water	Reclaimed Water	2023	2022
Operating revenues:						
Water consumption sales	\$ 3,577,112	\$ -	\$ -	\$ -	\$ 3,577,112	\$ 3,995,932
Water service charges	1,300,466	-	-	-	1,300,466	1,150,052
Sewer service charges	-	2,098,956	-	-	2,098,956	1,881,560
Reclaimed water sales	-	-	-	634,941	634,941	716,515
Recycled water sales	-	-	272,892	-	272,892	222,925
Wholesale water sales –BTP	1,629,310	-	-	-	1,629,310	865,032
Other operating revenues	230,675	62,829	-	6,556	300,060	186,575
Total operating revenues	6,737,563	2,161,785	272,892	641,497	9,813,737	9,018,591
Operating expenses:						
Source of supply	3,325,796	-	-	-	3,325,796	3,724,291
Pumping and power	279,177	-	-	-	279,177	283,159
Water treatment	351,136	-	-	-	351,136	266,246
Transmission and distribution	279,192	-	-	-	279,192	224,226
Sewer operations	-	566,643	-	-	566,643	443,417
Reclaimed operations	-	-	-	264,100	264,100	250,643
Recycled operations	-	-	291,563	-	291,563	250,711
General and administrative	4,428,182	2,087,147	220,779	231,669	6,967,777	5,749,217
Total operating expenses	8,663,483	2,653,790	512,342	495,769	12,325,384	11,191,910
Operating income(loss) before depreciation	(1,925,920)	(492,005)	(239,450)	145,728	(2,511,647)	(2,173,319)
Depreciation expense	(2,252,688)	(1,833,155)	(178,098)	(94,021)	(4,357,962)	(4,129,429)
Operating income(loss)	(4,178,608)	(2,325,160)	(417,548)	51,707	(6,869,609)	(6,302,748)
Non-operating revenues(expenses):						
Property taxes	1,101,761	793,268	154,247	154,246	2,203,522	2,077,576
Investment earnings	266,360	47,849	5,809	5,809	325,827	(109,229)
Rental revenue	27,064	-	-	-	27,064	27,064
Interest expense	(145,705)	(36,451)	(3,645)	(3,646)	(189,447)	(102,610)
Cost of debt issuance	-	-	-	-	-	(84,501)
Property tax administration charge	(5,890)	(4,240)	-	-	(10,130)	(11,508)
Uncollectable FEMA receivable	-	-	-	-	-	(140,598)
Transfers In/(Out)	-	-	-	-	-	-
Other non-operating revenues	23,820	9,282	932	932	34,966	205,537
Total non-operating revenues(expenses), net	1,267,410	809,708	157,343	157,341	2,391,802	1,861,731
Change in net position before capital contribs.	(2,911,198)	(1,515,452)	(260,205)	209,048	(4,477,807)	(4,441,017)
Capital contributions:						
Water reliability and emergency storage fees	865,302	-	-	-	865,302	823,101
Capital grants	504,764	1,700	170	170	506,804	-
Contributed capital –other	40,795	-	-	-	40,795	-
Total capital contributions	1,410,861	1,700	170	170	1,412,901	823,101
Change in net position	(1,500,337)	(1,513,752)	(260,035)	209,218	(3,064,906)	(3,617,916)
Net position:						
Beginning of year	26,648,305	17,022,064	1,600,244	1,428,824	46,699,437	50,317,353
End of year	<u>\$ 25,147,968</u>	<u>\$ 15,508,312</u>	<u>\$ 1,340,209</u>	<u>\$ 1,638,042</u>	<u>\$ 43,634,531</u>	<u>\$ 46,699,437</u>

Statistical Section

TRABUCO CANYON WATER DISTRICT

Schedule of the District's Contributions to the Defined Benefit Pension Plan For the Year Ended June 30, 2023

The following statistical section of the District's annual comprehensive financial report presents detailed and historical information as a reference for understanding the information included in the basic financial statements, notes to financial statements, and required supplementary information.

Financial Trends Schedules **Pages 52-55**

Presents information to assist the reader in understanding how the District's financial position has performed over time.

Revenue Capacity Schedules **Pages 56-61**

Presents information to assist the reader in understanding the District's major revenue sources.

Debt Capacity Schedule **Pages 62-63**

Presents information to assist the reader in understanding the District's current levels of outstanding debt and the ability to issue additional debt in the future.

Demographic and Economic Information **Page 64**

Presents demographic and economic information to assist the reader in understanding the environment in which the District operates.

Operating Information **Pages 65-66**

Presents data related to District infrastructure and services to assist the reader in understanding how District's financial information relates to services provided by the District.

Trabuco Canyon Water District
Changes in Net Position and Net Position by Component
For the Past Ten Fiscal Years

	Fiscal Year				
	2023	2022	2021	2020	2019
Changes in Net Position					
Operating Revenues (see Schedule 2)	\$ 9,813,737	\$ 9,018,591	\$ 8,929,020	\$ 8,201,075	\$ 7,449,430
Operating Expenses (see Schedule 3)	(16,683,346)	(15,321,339)	(15,399,923)	(14,200,695)	(12,936,937)
Operating Income (Loss)	(6,869,609)	(6,302,748)	(6,470,903)	(5,999,620)	(5,487,507)
Nonoperating Revenues (Expenses)					
Property Taxes	2,203,522	2,077,576	2,048,224	1,936,412	1,768,140
Special Assessments For Debt Service	-	-	-	-	-
Investment Earnings	325,827	(109,229)	26,763	119,066	228,244
Rental Revenue	27,064	27,064	24,836	24,112	23,410
Interest Expense	(189,447)	(102,610)	(51,932)	(60,635)	(121,869)
Amortization Of Bond Discount	-	-	-	-	-
Cost of Debt Issuance	-	(84,501)	-	(850)	(7,214)
Property Tax Administration Charge	(10,130)	(11,508)	(12,428)	(11,846)	(11,467)
Capacity Assignment Revenue	-	-	-	4,526,000 ⁽¹⁾	-
Other Non-Operating Revenue	34,966	205,537	106,338	48,064	94,192
Other Non-Operating Expense	-	(140,598) ⁽²⁾	-	-	-
Total Non-Operating, Net	2,391,802	1,861,731	2,141,801	6,580,323	1,973,436
Net Income (Loss) before Capital Contributions	(4,477,807)	(4,441,017)	(4,329,102)	580,703	(3,514,071)
Capital Contributions					
Water Reliability and Emergency Storage Fees	865,302	823,101	822,779	833,511	854,770
Capital Grants	506,804	-	99,751	1,400,052	48,109
Developer Impact Fees	-	-	-	-	-
Contributed Capital - Other	40,795	-	1,077,826	-	-
Total Capital Contributions	1,412,901	823,101	2,000,356	2,233,563	902,879
Increase (Decrease) in Net Position	(3,064,906)	(3,617,916)	(2,328,746)	2,814,266	(2,611,192)
Net Position at Beginning of Year	46,699,437	50,312,075	52,640,821	49,826,555	52,437,747
Prior Period Adjustments (PPA)	-	5,278 ⁽⁴⁾	-	-	-
Net Position at End of Year	43,634,531	46,699,437	50,312,075	52,640,821	49,826,555
Net Position, Restated by Component					
Net Investment in Capital Assets	40,918,075	44,617,301	47,913,266	44,976,850	43,977,274
Restricted	3,885,460	5,292,370	5,104,320	3,254,760	6,426,257
Unrestricted	(1,169,004)	(3,210,234)	(2,705,511)	4,409,211	(576,976)
Total Net Position	\$ 43,634,531	\$ 46,699,437	\$ 50,312,075	\$ 52,640,821	\$ 49,826,555

Source: TCWD Accounting Department

Notes⁽¹⁾ FY 20 Capacity assignment revenue from another agency's forfeiture in shared plant asset with TCWD.⁽²⁾ Grant receivable realized as uncollectable during FY 22 for \$140K.⁽³⁾ Reimbursement of \$50K to developer per contractual obligations.⁽⁴⁾ PPA related to implementation of GASB 87.⁽⁵⁾ PPA related to implementation of GASB 75.⁽⁶⁾ PPA related to implementation of GASB 68 and 71.⁽⁷⁾ Prior years may be reclassified to conform to current year presentation.

PPA = Prior Period Adjustment

Trabuco Canyon Water District
Changes in Net Position and Net Position by Component
For the Past Ten Fiscal Years

	Fiscal Year				
	2018	2017	2016	2015	2014
Changes in Net Position					
Operating Revenues (see Schedule 2)	\$ 8,576,910	\$ 6,778,177	\$ 5,193,572	\$ 5,840,472	\$ 6,180,929
Operating Expenses (see Schedule 3)	(13,182,333)	(10,763,964)	(9,832,913)	(10,316,721)	(10,191,660)
Operating Income (Loss)	(4,605,423)	(3,985,787)	(4,639,341)	(4,476,249)	(4,010,731)
Nonoperating Revenues (Expenses)					
Property Taxes	1,629,212	1,519,447	1,482,960	1,378,635	1,294,601
Special Assessments For Debt Service	-	-	-	828,076	1,491,391
Investment Earnings	149,070	59,342	41,324	23,520	27,050
Rental Revenue	22,728	23,116	21,424	23,217	24,788
Interest Expense	(176,023)	(227,674)	(277,950)	(364,859)	(501,724)
Amortization Of Bond Discount	-	-	-	-	(44,018)
Cost of Debt Issuance	(6,468)	(4,714)	(38,202)	(114,814)	(71,858)
Property Tax Administration Charge	(12,142)	(8,346)	(12,330)	(16,687)	(19,517)
Capacity Assignment Revenue	-	-	-	-	-
Other Non-Operating Revenue	103,154	42,169	19,900	90,411	64,899
Other Non-Operating Expense	(50,000) ⁽³⁾	-	-	-	-
Total Non-Operating, Net	1,659,531	1,403,340	1,237,126	1,847,499	2,265,612
Net Income (Loss) before Capital Contributions	(2,945,892)	(2,582,447)	(3,402,215)	(2,628,750)	(1,745,119)
Capital Contributions					
Water Reliability and Emergency Storage Fees	962,266	930,279	905,772	908,667	904,001
Capital Grants	1,695,352	103,668	23,804	46,157	-
Developer Impact Fees	-	1,822,446	782,108	1,155,097	-
Contributed Capital - Other	-	-	-	-	-
Total Capital Contributions	2,657,618	2,856,393	1,711,684	2,109,921	904,001
Increase (Decrease) in Net Position	(288,274)	273,946	(1,690,531)	(518,829)	(841,118)
Net Position at Beginning of Year	53,097,067	52,823,121	54,513,652	56,845,558	57,686,676
Prior Period Adjustments (PPA)	(371,046) ⁽⁵⁾	-	-	(1,813,077) ⁽⁶⁾	-
Net Position at End of Year	52,437,747	53,097,067	52,823,121	54,513,652	56,845,558
Net Position, Restated by Component					
Net Investment in Capital Assets	44,564,894	41,957,303	42,059,413	40,817,878	38,519,396
Restricted	7,312,853	7,364,937	5,401,951	12,099,753	11,053,442
Unrestricted	560,000	3,774,827	5,361,757	1,596,021	7,272,720
Total Net Position	\$ 52,437,747	\$ 53,097,067	\$ 52,823,121	\$ 54,513,652	\$ 56,845,558

Source: TCWD Accounting Department

Notes

⁽¹⁾ FY 20 Capacity assignment revenue from another agency's forfeiture in shared plant asset with TCWD.

⁽²⁾ Grant receivable realized as uncollectable during FY 22 for \$140K.

⁽³⁾ Reimbursement of \$50K to developer per contractual obligations.

⁽⁴⁾ PPA related to implementation of GASB 87.

⁽⁵⁾ PPA related to implementation of GASB 75.

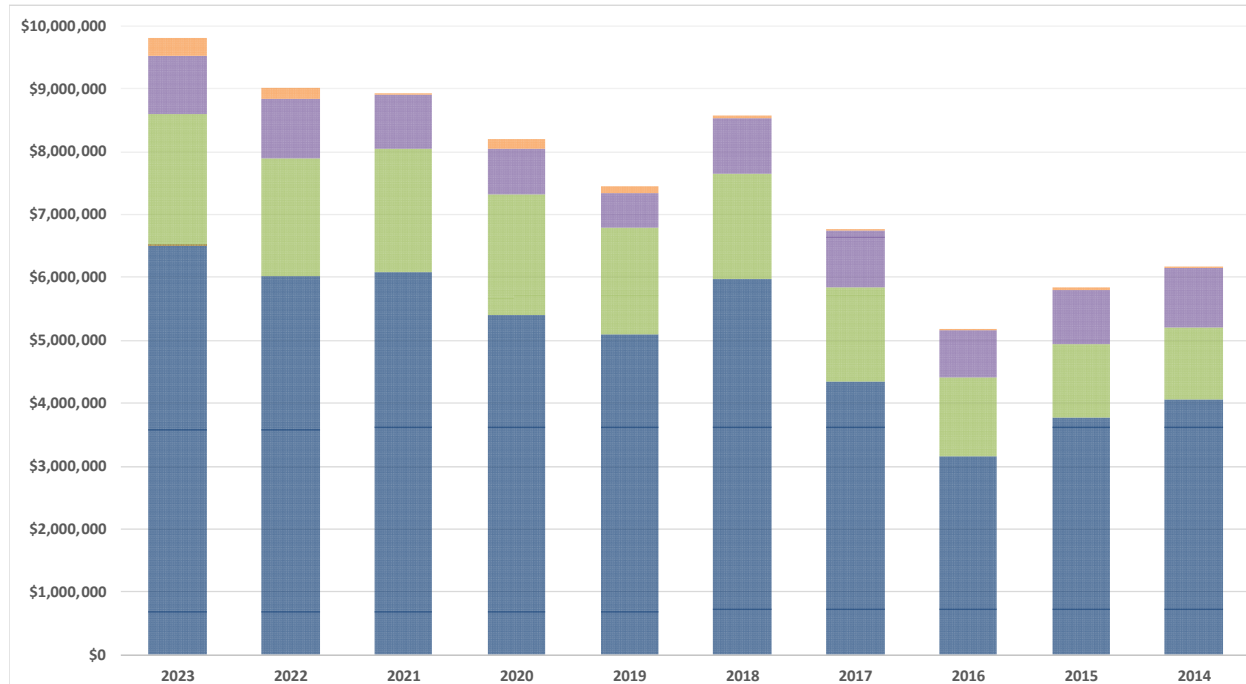
⁽⁶⁾ PPA related to implementation of GASB 68 and 71.

⁽⁷⁾ Prior years may be reclassified to conform to current year presentation.

PPA = Prior Period Adjustment

Trabuco Canyon Water District
Operating Revenues by Source
For the Past Ten Fiscal Years

Fiscal Year	Water Service / Consumption Charges ⁽¹⁾	Sewer Service Charges	Reclaimed / Recycled Water	Other Service Charges	Total Operating Revenues
2023	\$ 6,506,888	\$ 2,098,956	\$ 907,833	\$ 300,060	\$ 9,813,737
2022	6,011,016	1,881,560	939,440	186,575 ⁽²⁾	9,018,591
2021	6,096,488	1,955,995	859,761	16,776 ⁽³⁾	8,929,020
2020	5,408,715	1,918,114	723,088	151,158	8,201,075
2019	5,104,538	1,680,061	550,646	114,185 ⁽⁴⁾	7,449,430
2018	5,983,945	1,670,020	886,517	36,428	8,576,910
2017	4,349,376	1,490,075	912,854	25,872	6,778,177
2016	3,166,148	1,249,959	751,903	25,562	5,193,572
2015	3,767,975	1,163,483	874,333	34,681	5,840,472
2014	4,068,433	1,136,613	946,503	29,380	6,180,929



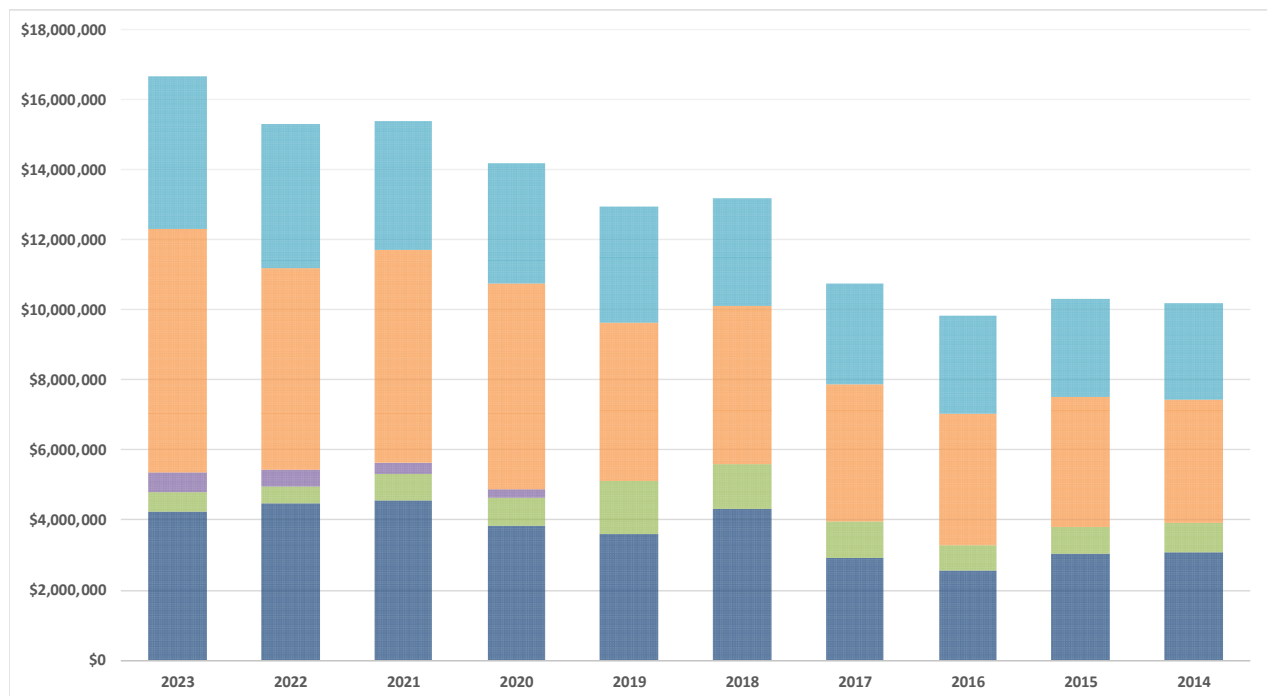
Source: TCWD Accounting Department

Notes

- ⁽¹⁾ Water sales varies depending upon a variety of external factors beyond TCWD's control such as rainfall, population growth and supply fluctuations.
- ⁽²⁾ Other service charges increased due to customer late charges of \$179K, which resumed during the fiscal year.
- ⁽³⁾ Other service charges decreased due to the suspension of customer late charges during the COVID-19 pandemic.
- ⁽⁴⁾ Increased due to \$108K in unusual customer late charges.
- ⁽⁵⁾ Prior year revenues may be reclassified to conform to current year presentation.

Trabuco Canyon Water District
Operating Expenses by Activity
For the Past Ten Fiscal Years

Fiscal Year	Water Operations ⁽¹⁾	Sewer Operations	Reclaimed/ Recycled Operations ⁽²⁾	General and Administrative	Depreciation	Total Operating Expenses
2023	\$ 4,235,301	\$ 566,643	\$ 555,663	\$ 6,967,777	\$ 4,357,962	\$ 16,683,346
2022	4,497,922	443,417	501,354	5,749,217	4,129,429	15,321,339
2021	4,551,853	760,445	326,133	6,071,922	3,689,570	15,399,923
2020	3,855,348	770,329	240,045	5,906,312	3,428,661	14,200,695
2019	3,617,223	1,489,840	-	4,525,647	3,304,227	12,936,937
2018	4,306,455	1,299,408	-	4,525,688	3,050,782	13,182,333
2017	2,922,897	1,050,686	-	3,911,503	2,878,878	10,763,964
2016	2,550,223	749,329	-	3,737,082	2,796,279	9,832,913
2015	3,029,004	787,243	-	3,702,536	2,797,938	10,316,721
2014	3,080,530	824,410	-	3,535,240	2,751,480	10,191,660



Source: TCWD Accounting Department

Notes

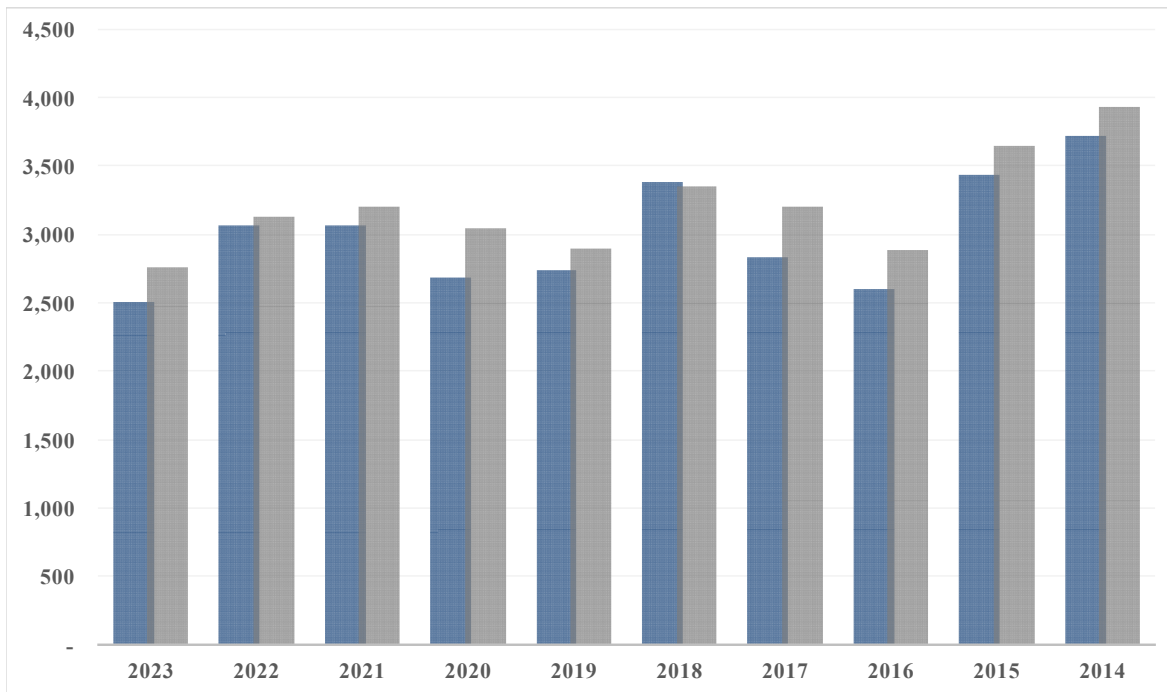
⁽¹⁾ Water purchases will vary depending upon a variety of external factors beyond TCWD's control such as rainfall, population growth and supply fluctuations.

⁽²⁾ Reclaimed and Recycled expenses were separated and accounted for beginning in fiscal year 2020.

⁽³⁾ Expenses in prior years may be reclassified to conform to current year presentation.

Trabuco Canyon Water District
Revenue Base
For the Past Ten Fiscal Years

Fiscal Year	Water Sales in Acre Feet (1)	Water Produced in Acre Feet (2)
2023	2,508	2,762
2022	3,061	3,128
2021	3,069	3,207
2020	2,683	3,039
2019	2,736	2,896
2018	3,382	3,351
2017	2,835	3,200
2016	2,604	2,885
2015	3,431	3,649
2014	3,725	3,932



Source: TCWD Accounting Department

Notes

(1) Water sold will vary depending upon a variety of external factors beyond TCWD's control such as rainfall, population growth and supply fluctuations. Excludes Baker Treatment Plant wholesale water pass-through sales.

(2) Production includes both potable and non-potable water.

Trabuco Canyon Water District
Water Rates
For the Past Ten Fiscal Years

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Potable Water Consumption per Hundred Cubic Feet (HCF)										
SF Residential - Tier 1	\$ 2.19	\$ 2.19	\$ 2.19	\$ 2.30	\$ 2.42	\$ 2.55	\$ 2.68	\$ 2.50	\$ 2.70	\$ 2.92
SF Residential - Tier 2	2.24	2.24	2.43	2.56	2.69	2.83	2.98	3.18	3.44	3.72
SF Residential - Tier 3	2.30	2.30	4.84	5.09	5.35	5.62	5.91	6.04	6.53	7.06
SF Residential - Tier 4	2.79	2.79	5.99	6.29	6.61	6.95	7.30	7.85	8.48	9.16
SF Residential - Tier 5	3.34	3.34								
SF Residential - Tier 6	3.95	3.95								
SF Residential - Tier 7	4.70	4.70								
SF Residential - Tier 8	5.57	5.57								
Multi-Family	2.64	2.64	2.52	2.65	2.79	2.93	3.08	2.93	3.17	4.86
Irrigation - HOAs	2.91	2.91	2.99	3.14	3.30	3.47	3.65	4.16	4.50	4.86
Irrigation - Commercial	3.02	3.02	2.99	3.14	3.30	3.47	3.65	4.16	4.50	4.86
Commercial	2.76	2.76	2.64	2.78	2.92	3.07	3.23	3.22	3.48	3.76
Agriculture - Tier 1 - Jan-Jun	2.45	2.45	3.05	3.21	3.38	3.55	3.73	5.28	5.71	6.17
Agriculture - Tier 2 - Jan-Jun	3.30	3.30								
Agriculture - Tier 3 - Jan-Jun	3.85	3.85								
Agriculture - Tier 4 - Jan-Jun	4.39	4.39								
Agriculture - Tier 5 - Jan-Jun	4.93	4.93								
Agriculture - Tier 1 - Jul-Dec	2.45	2.45								
Agriculture - Tier 2 - Jul-Dec	3.48	3.48								
Agriculture - Tier 3 - Jul-Dec	4.19	4.19								
Agriculture - Tier 4 - Jul-Dec	4.91	4.91								
Agriculture - Tier 5 - Jul-Dec	5.64	5.64								
Construction	3.64	3.64	3.84	4.04	4.25	4.47	4.70	3.72	4.02	4.35
Recycled Water Consumption per Hundred Cubic Feet (HCF)										
Non-Domestic - Dove	\$ 2.37	\$ 2.37	\$ 2.37	\$ 2.37	\$ 2.37	\$ 2.37	\$ 2.40	\$ 2.71	\$ 2.99	\$ 3.47
Non-Domestic - Golf Course	2.49	2.49	2.41	2.41	2.41	2.41	2.50	2.71	2.99	3.47
Non-Domestic - Other	2.49	2.49	2.41	2.41	2.41	2.41	2.41	2.71	2.99	3.47
Monthly Fixed Service Charge by Meter										
5/8 inch	\$ 8.25	\$ 8.25	\$ 13.70	\$ 14.39	\$ 15.11	\$ 15.87	\$ 16.67	\$ 18.03	\$ 19.48	\$ 21.04
3/4 inch	10.76	10.76	13.70	14.39	15.11	15.87	16.67	18.03	19.48	21.04
1 inch	16.77	16.77	19.73	20.72	21.76	22.85	24.00	26.31	28.42	30.70
1 1/2 inch	31.78	31.78	36.06	37.87	39.77	41.76	43.85	47.01	50.78	54.85
2 inch	49.79	49.79	53.50	56.18	58.99	61.94	65.04	71.85	77.60	83.81
3 inch	91.83	91.83	110.25	115.77	121.56	127.64	134.03	150.51	162.56	175.57
4 inch	151.87	151.87	191.82	201.42	211.50	222.08	233.19	266.43	287.75	310.77
6 inch	302.00	302.00	476.92	500.77	525.81	552.11	579.72	668.01	721.46	779.18
10 inch	482.14	482.14	1,245.08	1,307.34	1,372.71	1,441.35	1,513.42	1,744.41	1,883.97	2,034.69
Hydrant Meter	56.90	56.90	111.05	116.61	122.45	128.58	135.01	150.51	162.56	175.57
Monthly Water Reliability and Emergency Storage Charge										
5/8 inch	\$ 16.50	\$ 16.50	\$ 16.50	\$ 16.50	\$ 16.50	\$ 16.50	\$ 16.04	\$ 16.04	\$ 16.04	\$ 16.04
3/4 inch	16.50	16.50	16.50	16.50	16.50	16.50	16.04	16.04	16.04	16.04
1 inch	26.39	26.39	26.39	26.39	26.39	26.39	25.25	25.25	25.25	25.25
1 1/2 inch	39.59	39.59	39.59	39.59	39.59	39.59	38.48	38.48	38.48	38.48
2 inch	52.78	52.78	52.78	52.78	52.78	52.78	51.30	51.30	51.30	51.30
3 inch	79.17	79.17	79.17	79.17	79.17	79.17	76.95	76.95	76.95	76.95
4 inch	105.56	105.56	105.56	105.56	105.56	105.56	102.60	102.60	102.60	102.60
6 inch	158.34	158.34	158.34	158.34	158.34	158.34	153.90	153.90	153.90	153.90
1 1/2 inch Non-Domestic	33.64	33.64	33.64	33.64	33.64	33.64	32.70	32.70	32.70	32.70
2 inch Non-Domestic	44.86	44.86	44.86	44.86	44.86	44.86	43.60	43.60	43.60	43.60
3 inch Non-Domestic	67.30	67.30	67.30	67.30	67.30	67.30	65.42	65.42	65.42	65.42
4 inch Non-Domestic	89.73	89.73	89.73	89.73	89.73	89.73	87.21	87.21	87.21	87.21
10 inch Non-Domestic	224.32	224.32	224.32	224.32	224.32	224.32	218.03	218.03	218.03	218.03

Source: Trabuco Canyon Water District Board of Directors Approved Rate Ordinances and Resolutions

Notes

⁽¹⁾ The District is required to follow Proposition 218 procedures when raising or adjusting rates.

⁽²⁾ For more information on the District's rate structure, visit <https://www.tcwd.ca.gov/your-water/district-rates-fees-charges>

Trabuco Canyon Water District
Wastewater Rates
For the Past Ten Fiscal Years

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Monthly Wastewater Service Charge										
Single Family Residential	\$ 19.80	\$ 19.80	\$ 24.47	\$ 28.15	\$ 29.57	\$ 31.06	\$ 32.62	\$ 35.20	\$ 37.32	\$ 39.56
Multi-Family Residential - 1"	11.58	11.58	24.47	28.15	29.57	31.06	32.62	26.99	28.61	35.47
Multi-Family Residential - 1 1/2"	22.56	22.56	24.47	28.15	29.57	31.06	32.62	26.99	28.61	35.47
Billing & Customer Service Charge										
5/8 inch	\$ 5.00	\$ 5.00	\$ 4.64	\$ 5.34	\$ 5.61	\$ 5.90	\$ 6.20	\$ 4.58	\$ 4.85	\$ 5.14
3/4 inch	7.19	7.19	4.64	5.34	5.61	5.90	6.20	4.58	4.85	5.14
1 inch	11.58	11.58	4.64	5.34	5.61	5.90	6.20	4.58	4.85	5.14
1 1/2 inch	22.56	22.56	4.64	5.34	5.61	5.90	6.20	4.58	4.85	5.14
2 inch	35.74	35.74	4.64	5.34	5.61	5.90	6.20	4.58	4.85	5.14
3 inch	66.48	66.48	4.64	5.34	5.61	5.90	6.20	4.58	4.85	5.14
4 inch	110.40	110.40	4.64	5.34	5.61	5.90	6.20	4.58	4.85	5.14
6 inch	220.19	220.19	4.64	5.34	5.61	5.90	6.20	4.58	4.85	5.14
8 inch	351.94	351.94	4.64	5.34	5.61	5.90	6.20	4.58	4.85	5.14
Volumetric Rate per Hundred Cubic Feet (HCF)										
Commercial - Low	\$ 1.92	\$ 1.92	\$ 3.28	\$ 3.78	\$ 3.97	\$ 4.17	\$ 4.38	\$ 5.05	\$ 5.36	\$ 5.69
Commercial - Medium	2.72	2.72	5.28	6.08	6.39	6.71	7.05	6.41	6.80	7.21
Commercial - High	4.30	4.30	8.00	9.20	9.66	10.15	10.66	8.39	8.90	9.44

Source: Trabuco Canyon Water District Board of Directors Approved Rate Ordinances and Resolutions

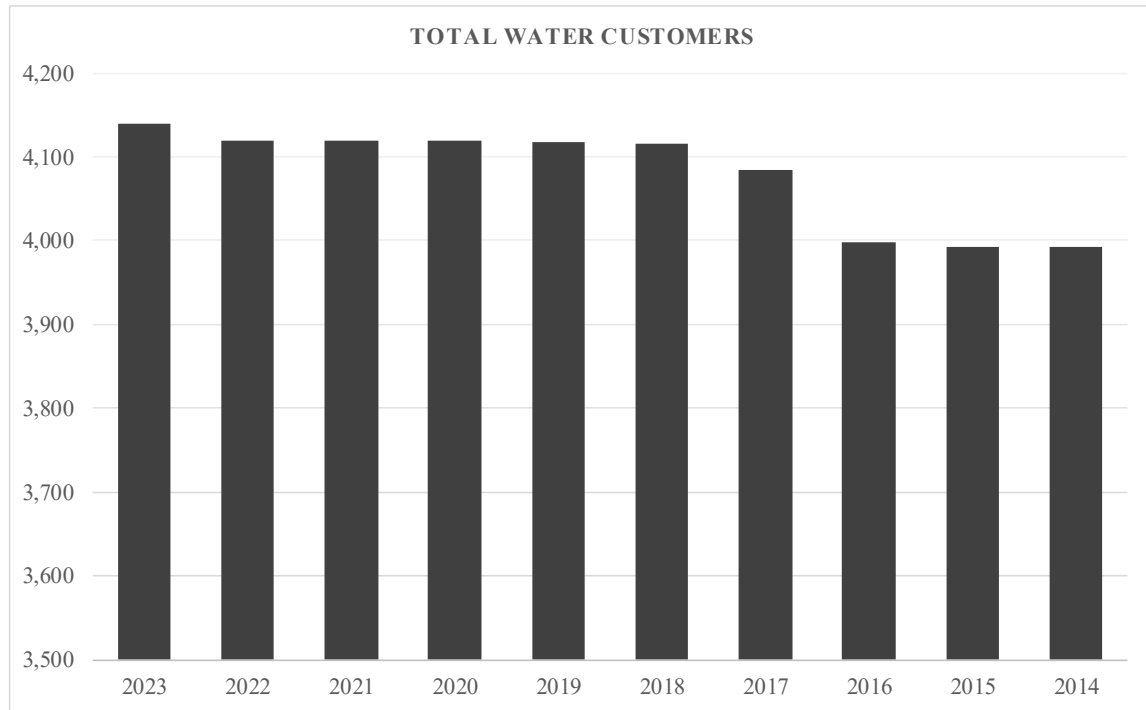
Notes

⁽¹⁾ The District is required to follow Proposition 218 procedures when raising or adjusting rates.

⁽²⁾ For more information on the District's rate structure, visit <https://www.tcwd.ca.gov/your-water/district-rates-fees-charges>

Trabuco Canyon Water District
Water Customers by Type
For the Past Ten Fiscal Years

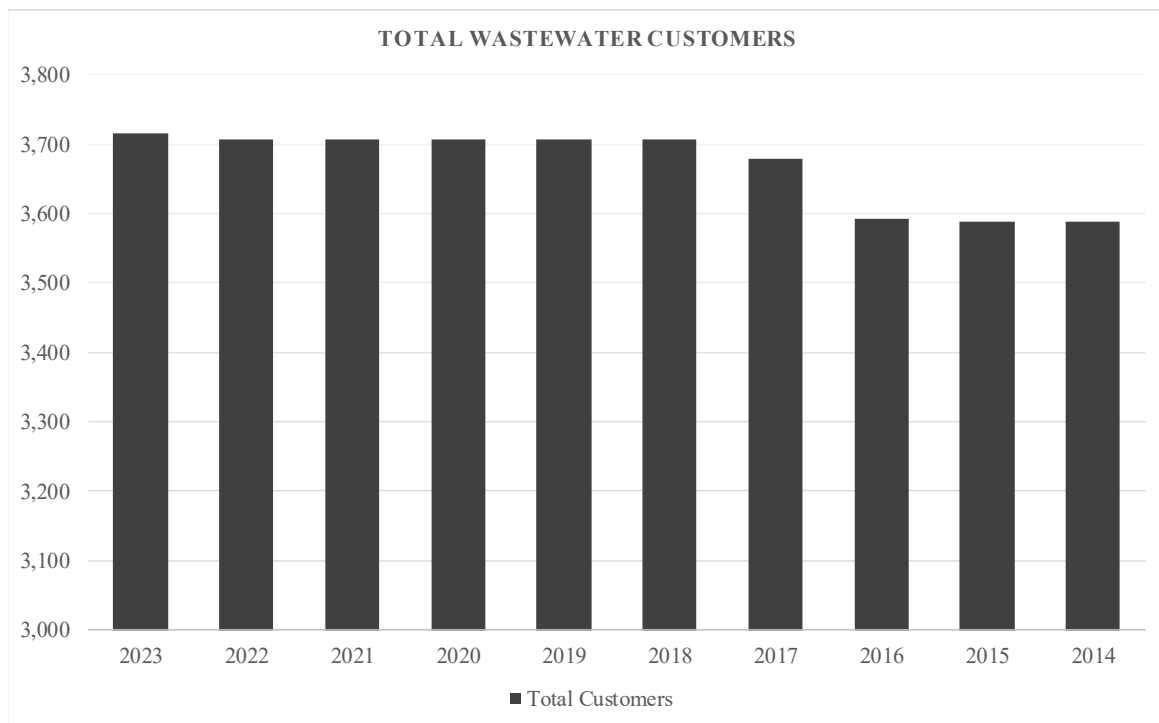
Fiscal Year	Residential	Agriculture	Landscape	Commercial	Wholesale	Total Customers
2023	3,928	2	128	81	1	4,140
2022	3,927	5	106	81	1	4,120
2021	3,927	5	106	81	1	4,120
2020	3,927	5	106	81	1	4,120
2019	3,927	5	104	81	1	4,118
2018	3,927	5	101	81	1	4,115
2017	3,897	5	101	80	1	4,084
2016	3,814	5	100	79	-	3,998
2015	3,810	5	98	79	-	3,992
2014	3,810	5	98	79	-	3,992



Source: TCWD Accounting Department

Trabuco Canyon Water District
Wastewater Customers by Type
For the Past Ten Fiscal Years

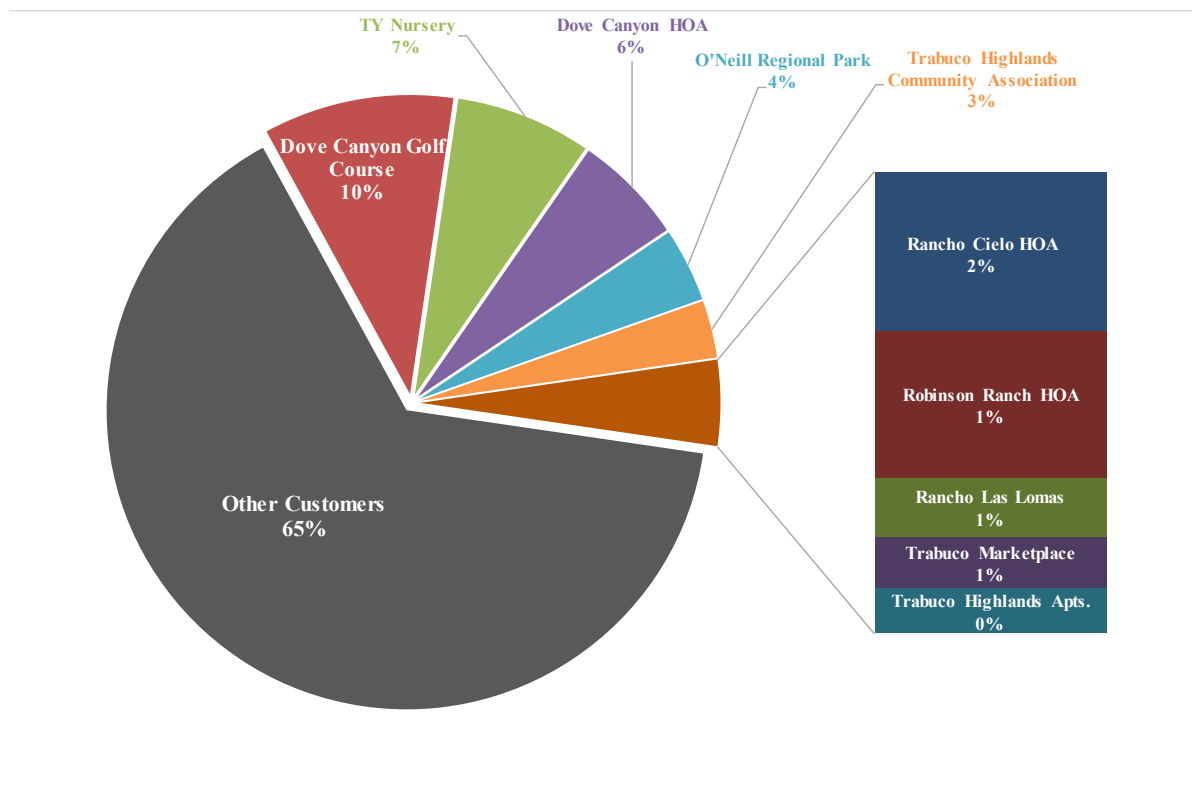
Fiscal Year	Residential	Commercial	Total Customers
2023	3,670	45	3,715
2022	3,664	44	3,708
2021	3,664	44	3,708
2020	3,664	44	3,708
2019	3,664	44	3,708
2018	3,664	43	3,707
2017	3,634	44	3,678
2016	3,551	42	3,593
2015	3,547	42	3,589
2014	3,547	42	3,589



Source: TCWD Accounting Department

Trabuco Canyon Water District
Principal Water Customers
Current Fiscal Year and Ten Years Ago

Customer	2023		2014	
	Water Sold (AF) ⁽²⁾	Percentage of Total	Water Sold (AF)	Percentage of Total
1 Dove Canyon Golf Course	257.4	10.3%	371.6	6.5%
2 TY Nursery	183.4	7.3%	243.9	1.4%
3 Dove Canyon HOA	149.5	6.0%	237.2	4.5%
4 O'Neill Regional Park	99.9	4.0%	52.9	2.2%
5 Trabuco Highlands Community Association	77.8	3.1%	169.3	4.9%
6 Rancho Cielo HOA	40.3	1.6%	82.8	1.4%
7 Robinson Ranch HOA	36.7	1.5%	66.0	0.9%
8 Rancho Las Lomas	14.7	0.6%	35.3	0.4%
9 Trabuco Marketplace	13.3	0.5%	16.5	1.8%
10 Trabuco Highlands Apts.	11.2	0.4%	50.8	10.0%
	884.2	35.3%	1,326.4	34.0%



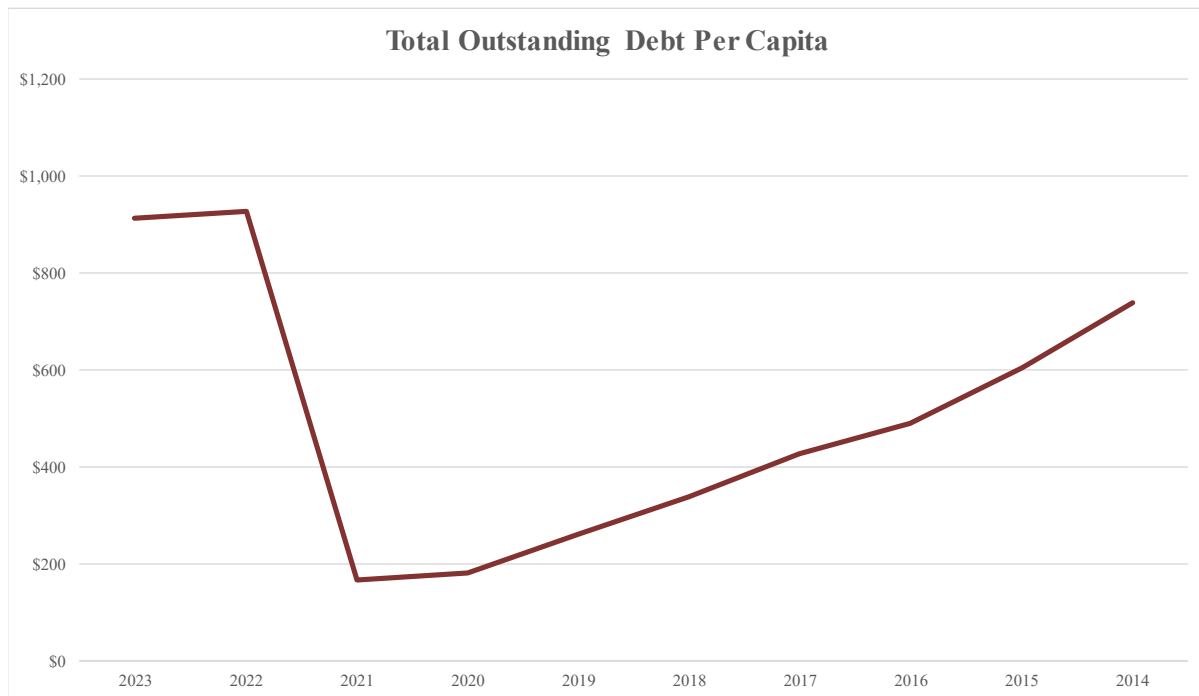
Source: TCWD Accounting Department

Notes

One Acre Foot is equivalent to approximately 325,900 gallons.

Trabuco Canyon Water District
Ratio of Outstanding Debt
For the Past Ten Fiscal Years

Fiscal Year	Refunding Revenue Bonds	2011 State Revolving Fund Loan	Bank of The West Loan Payable	Total Debt Outstanding	Per Capita ⁽¹⁾	As a Share of Personal Income ⁽²⁾
2023	\$ -	\$ 1,770,766	\$10,000,000 (3)	\$11,770,766	\$ 910.98	1.12%
2022	-	1,957,505	10,000,000	11,957,505	925.43	1.10%
2021	-	2,140,052	-	2,140,052	165.63	0.20%
2020	-	2,318,501	-	2,318,501	179.44	0.25%
2019	890,000	2,492,943	-	3,382,943	261.82	0.37%
2018	1,711,898	2,663,469	-	4,375,367	338.62	0.51%
2017	2,493,795	2,912,107	-	5,405,902	425.26	0.68%
2016	3,235,693	2,993,121	-	6,228,814	489.99	0.82%
2015	4,502,362	3,152,418	-	7,654,780	602.17	1.02%
2014	5,998,345	3,384,683	-	9,383,028	738.12	1.30%



Source: TCWD Accounting Department

Notes

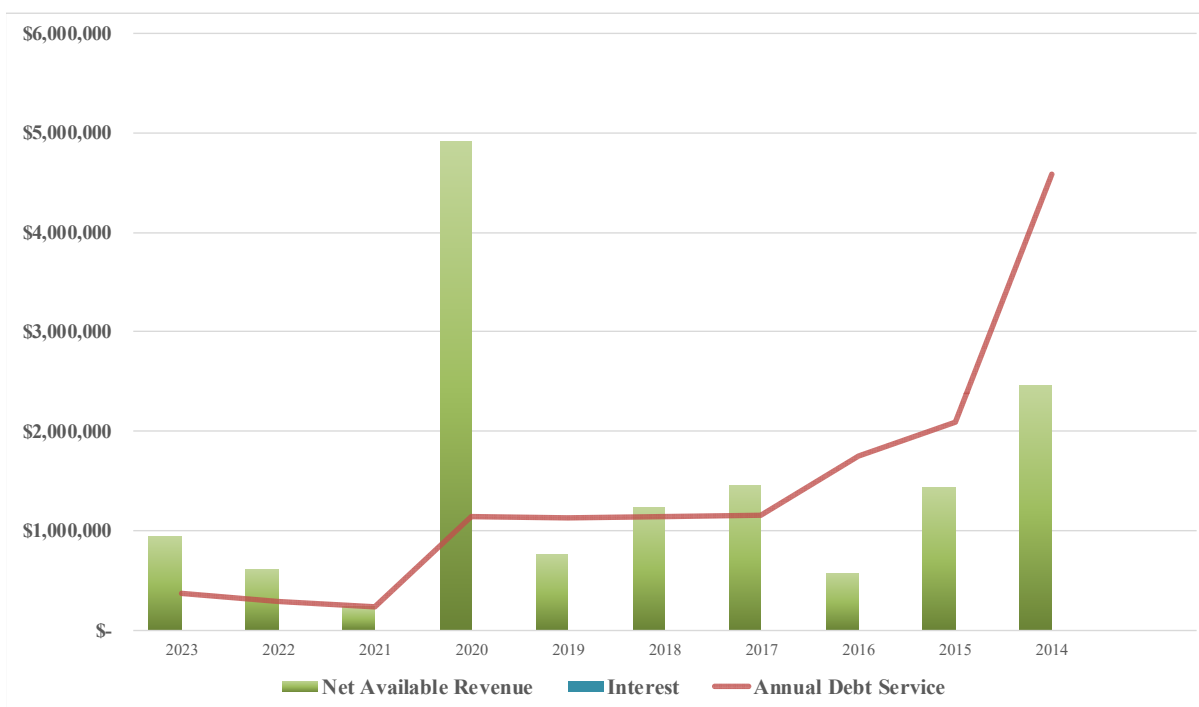
⁽¹⁾ Population estimate for per capita figures is based on TCWD's Urban Water Management Plan which is updated every five years.

⁽²⁾ Personal income information is based on County of Orange data, which is representative of the conditions and experiences of TCWD.

⁽³⁾ The District received \$10M in loan proceeds from Bank of The West for use on capital projects during FY 2022.

Trabuco Canyon Water District
Debt Service Coverage
For the Past Ten Fiscal Years

Fiscal Year	Revenues ^{(1),(7)}	Expenses ⁽²⁾	Net Available Revenue	Debt Service			Coverage Ratio ^{(6),(8)}
				Principal	Interest	Annual Total	
2023	\$13,270,418	\$12,335,514	\$ 934,904	\$ 186,739	\$ 189,447	\$ 376,186	2.49
2022	12,151,869	11,537,746	614,123	182,547	102,610	285,157	2.15
2021	11,957,960	11,722,781	235,179	178,449	51,932	230,381	1.02
2020	15,688,240	10,784,730	4,903,510	1,062,473	85,053	1,147,526 ⁽³⁾	4.27
2019	10,418,186	9,651,391	766,795	993,601	141,233	1,134,834	0.68
2018	11,443,340	10,200,161	1,243,179	949,816	194,123	1,143,939	1.09
2017	9,352,530	7,898,146	1,454,384	906,116	244,487	1,150,603	1.26
2016	7,664,952	7,087,166	577,786	1,437,498	309,268	1,746,766 ⁽⁴⁾	0.33
2015	9,092,998	7,650,284	1,442,714	1,693,962	400,922	2,094,884 ⁽⁵⁾	0.69
2014	9,987,659	7,531,555	2,456,104	4,005,680	572,818	4,578,498	0.54



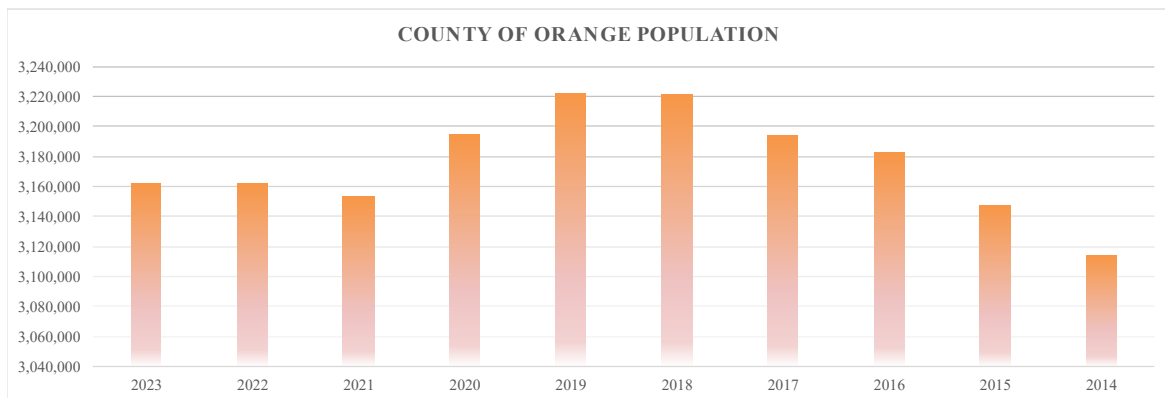
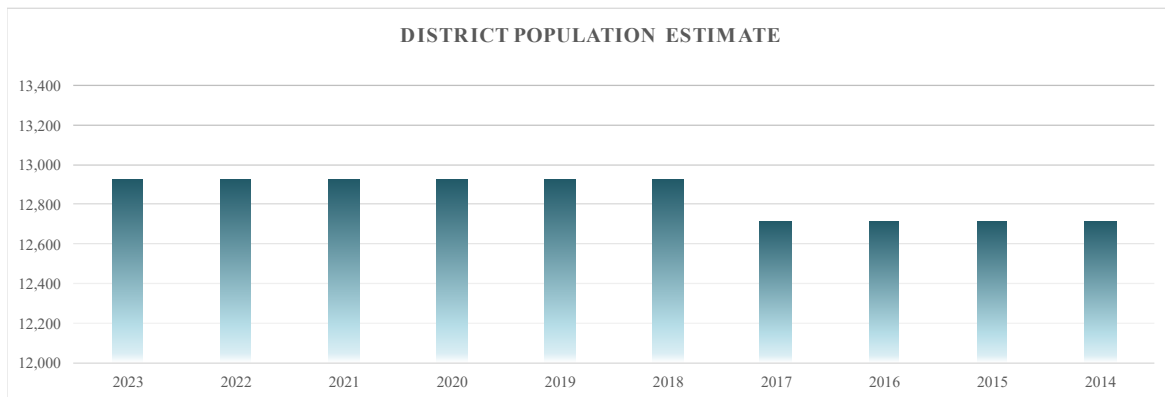
Source: TCWD Accounting Department

Notes

- ⁽¹⁾ Revenues include operating and non-operating revenues.
- ⁽²⁾ Expenses include operating and non-operating expenses less depreciation, amortization and interest.
- ⁽³⁾ 1994 Series C Revenue Refunding Bonds fully repaid during FY 2020.
- ⁽⁴⁾ 1994 Series A Revenue Refunding Bonds fully repaid during FY 2016.
- ⁽⁵⁾ 1994 Series B Revenue Refunding Bonds fully repaid during FY 2015.
- ⁽⁶⁾ Above calculations are on an accrual basis, not a cash paid basis.
- ⁽⁷⁾ Above revenues include Water Reliability and Emergency Services revenues.
- ⁽⁸⁾ Above calculation is not calculated in accordance with the Bank of the West credit agreements in connection with debt service coverage requirements.

Trabuco Canyon Water District
Demographic and Economic Statistics
For the Past Ten Fiscal Years

	District	County of Orange Data ⁽²⁾			
Fiscal Year	Population Estimate ⁽¹⁾	Unemployment Rate	Population ⁽⁴⁾	Personal Income ⁽³⁾	Per Capita Personal Income
2023	12,921	3.7%	3,162,245	256,700,438	\$ 81,034
2022	12,921	2.8%	3,162,245	267,143,000	84,479
2021	12,921	6.3%	3,153,764	258,933,000	82,103
2020	12,921	12.3%	3,194,332	226,531,000	70,917
2019	12,921	3.0%	3,222,498	230,180,000	71,429
2018	12,921	3.1%	3,221,103	215,479,000	66,896
2017	12,712	4.2%	3,194,024	199,492,000	62,458
2016	12,712	4.4%	3,183,011	190,978,000	59,999
2015	12,712	4.0%	3,147,655	185,500,000	58,933
2014	12,712	5.4%	3,113,991	177,412,900	56,973



Source: California Department of Finance and California Labor Market Info

Notes

⁽¹⁾ Population estimate is based on TCWD's Urban Water Management Plan which is updated every five years

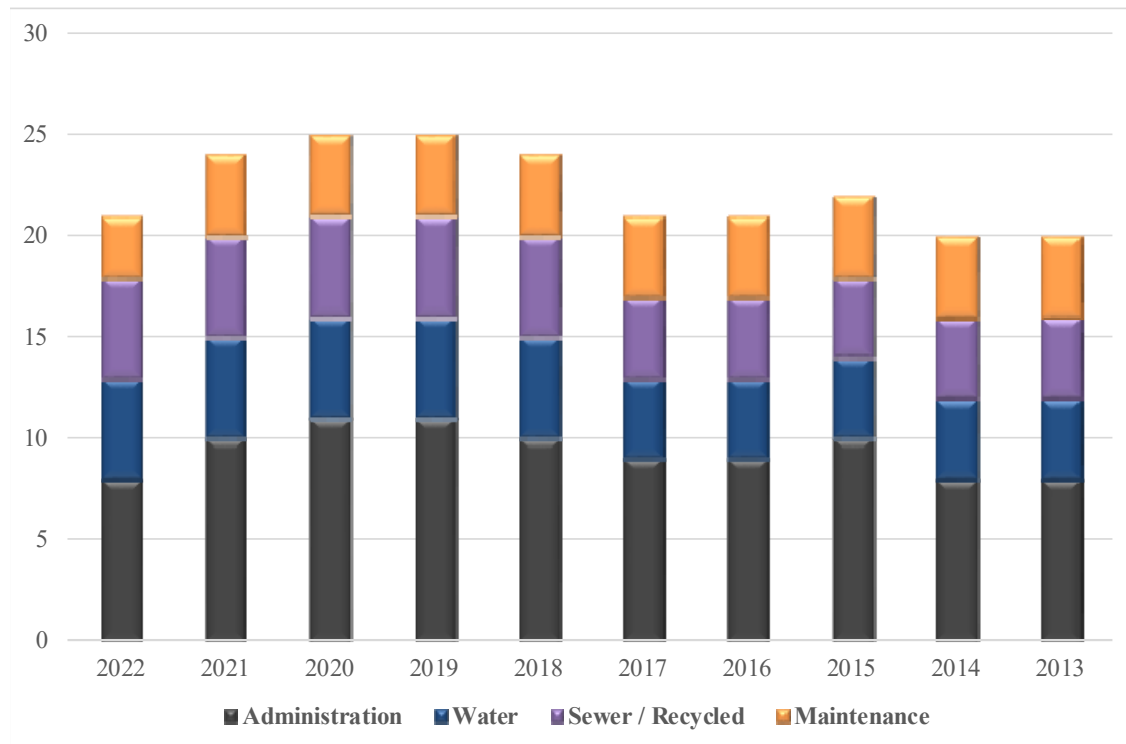
⁽²⁾ Certain economic indicators such as unemployment rate and personal income are not calculated separately for TCWD. Therefore, TCWD has chosen to use the County of Orange data, which is representative of the conditions and experiences of TCWD.

⁽³⁾ Certain economic indicators such as unemployment rate and personal income are not calculated separately for TCWD. Therefore, TCWD has chosen to use the County of Orange data, which is representative of the conditions and experiences of TCWD.

⁽⁴⁾ Population estimates not available at the time this report was published.

Trabuco Canyon Water District
Personnel Trends
For the Past Ten Fiscal Years

Fiscal Year	Full-time Equivalent Employees by Department				Total
	Administration	Water	Sewer / Recycled	Maintenance	
2023	8	5	5	3	21
2022	10	5	5	4	24
2021	11	5	5	4	25
2020	11	5	5	4	25
2019	10	5	5	4	24
2018	9	4	4	4	21
2017	9	4	4	4	21
2016	10	4	4	4	22
2015	8	4	4	4	20
2014	8	4	4	4	20



Source: Trabuco Canyon Water District Accounting Department and Operations Department

Trabuco Canyon Water District
Miscellaneous Operating Statistics
For the Past Nine Fiscal Years

TCWD SERVICE AREA	Fiscal Year								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
# Water Connections	4,113	4,092	4,092	4,092	4,090	4,087	4,056	3,970	3,964
# Recycled Water Connections	27	28	28	28	28	28	28	28	28
# Water & Recycled Water Connections	4,140	4,120	4,120	4,120	4,118	4,115	4,084	3,998	3,992
Number of Sewer Connections	3,715	3,708	3,708	3,708	3,708	3,707	3,678	3,593	3,589
Approximate Area (Square Miles)	8,200	8,200	8,200	8,200	8,200	8,200	8,200	8,200	8,200
Number of Pump Stations	9	9	9	9	9	9	9	9	9
Number of Reservoirs	8	8	8	8	8	8	8	8	8
Number of Wells	2	2	2	2	2	2	2	2	2
Number of Water Treatment Plants	1	1	1	1	1	1	1	1	1
Number of Sewage Treatment Plants	1	1	1	1	1	1	1	1	1
Miles of Pipeline	66	66	66	66	66	66	66	66	66
System Capacity									
Imported (Acre-Feet)	4,343	4,343	4,343	4,343	4,343	4,343	4,343	4,343	4,343
Imported (Billion Gallons)	1.42	1.42	1.42	1.42	1.42	1.42	1.42	1.42	1.42
Water Demand ⁽¹⁾									
Imported (Acre-Feet)	3,777	4,083	3,703	3,776	4,483	3,290	2,604	3,431	3,725
Imported (Billion Gallons)	1.23	1.33	1.21	1.23	1.46	1.07	0.85	1.12	1.21

Source: Trabuco Canyon Water District Accounting Department and Operations Department

Notes

⁽¹⁾ Water demand on this schedule includes Baker Treatment Plant pass-through wholesale water.

Other Independent Auditors' Reports



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
Trabuco Canyon Water District
Trabuco Canyon, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Trabuco Canyon Water District (District), which comprise the balance sheet as of June 30, 2023, and the related statement of revenues, expenses and changes in net position and cash flows for the fiscal year then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 21, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Murrieta, California
December 21, 2023

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | JANUARY 18, 2024**

ACTION CALENDAR

LEGISLATIVE AND OTHER MATTERS

ITEM 8: 2023 YEAR-END LEGISLATIVE REPORT

Staff and District General Counsel will provide a report on new laws resulting from the first year of the 2023-24 Legislative Session that are relevant to Trabuco Canyon Water District.

RECOMMENDED ACTION:

Receive information at the time of the meeting and take action(s) as deemed appropriate.

CONTACTS (staff responsible): PALUDI/COLLINS

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | JANUARY 18, 2024**

ACTION CALENDAR

LEGISLATIVE AND OTHER MATTERS

ITEM 9: LOCAL GOVERNMENTAL AND LEGISLATIVE MATTER(S)

Staff may provide information at the time of the meeting.

RECOMMENDED ACTION:

Receive information at the time of the meeting and take action(s) as deemed appropriate.

CONTACTS (staff responsible): PALUDI/COLLINS